

JPRS-LAM-85-058

8 July 1985

# Latin America Report

#### NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [ ] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

#### PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

8 July 1985

## LATIN AMERICA REPORT

## CONTENTS

## INTER-AMERICAN AFFAIRS

Southern Cone Military Alliance Seen as Possibility (Daniel Prieto Vial; TECNOLOGIA MILITARY, Apr 85).....	1
Mexico Expresses Interest in Closer Ties With Caricom (BARBADOS ADVOCATE, 17 May 85).....	7
IDB President Stresses Need for Caricom Exports (BARBADOS ADVOCATE, 17 May 85).....	8
Development Group Agrees To Increase Aid to Caribbean (CANA, 24 May 85).....	10
Caribbean Industry, Commerce Unit Discusses Trade Issues (CANA, 23 May 85).....	11
Barbados Ban on Dominican Ex-Official John Criticized (TRINIDAD GUARDIAN, 30 May 85; EXPRESS, 31 May 85).....	13
Affirmation of Entry Ban	13
LPD Reaction in Dominica	13
Briefs	
Trinidad-Venezuela Fishing Talks	14
Trinidad-St Lucia Trade Talks	14
Foreign Currency-Drug Racket	14
Caricom Digest	15

## ARGENTINA

Communist Secretary General Nadra on Political Alliances (Fernando Nadra Interview; LA PRENSA, 8 Jun 85).....	16
--	----

INTA Announces Successful Research in New Hybrid Corn (LA PRENSA, 2 Jun 85).....	20
JNG Reports Record-Breaking Grain Export Figures (LA PRENSA, 8 Jun 85).....	21
Briefs	
Tractor Exports	22
BARBADOS	
Haynes Leads Opposition Objections to 1985-86 Budget (BARBADOS ADVOCATE, 9-11 May 85; DAILY NATION, 9 May 85)....	23
Call for Bank Probe, Changes	23
End to Borrowing	24
Transport Shortcomings	25
DLP Policy Aims	25
Promise to Farmers	25
Sugar Subsidy	26
Review of Budget Problems	26
National Debt	28
Impact on Private Sector	28
Tax Increases	29
DLP Plans for Tourism	29
Barrow Contribution	30
DLP Goals	31
Taitt on Foreign Reserves	32
Walcott Reaction	33
BWU Resolutions	33
St John Responds to Critics, Vows no Government Cover-up (WEEKEND NATION, 10-11 May 85).....	35
PPM Leader Sealy Backs DLP By-Election Candidate (BARBADOS ADVOCATE, 9 May 85).....	37
Griffith Reports Record Oil Output So Far in 1985 (BARBADOS ADVOCATE, 11 May 85).....	38
Briefs	
Ruling BLP Retains Seat	39
Vatican Envoy	39
BELIZE	
Paper Queries Communist Sympathies of PUP Administration (Editorial; THE BEACON, 4 May 85).....	40
Thompson Addresses Illegal Immigration, Drug Issues (THE REPORTER, 5 May 85).....	42



Union's Labor Day Message Attacks Foreign Usurpation (THE BELIZE TIMES, 5 May 85).....	44
Venezuelan Housing Loan To Help Low-Income Families (THE BEACON, 4 May 85).....	46
Livestock Industry Dispute Ended; Export Ban Remains (THE REPORTER, 12 May 85).....	47
Accord on Resources	47
Government Statement	48
Beleaguered Sugar Industry Scores Production Gains (THE BEACON, 11 May 85).....	50

#### BERMUDA

UBP, PLP Remain Split Over U.S. Nuclear-Arms Role Here (THE ROYAL GAZETTE, 19 Apr, 4 May 85).....	51
PLP Call for Consultation	51
Action in Parliament	52
Variety of Other Issues Divide Ruling, Opposition Parties (THE ROYAL GAZETTE, various dates).....	55
PLP on Summit Proposal	55
PLP Drive Against Status Grants	56
Criticism of Attorney General's Status	56
Swan on Status Issue	57
Tourism Chief's Departure	58
Close House Vote for UBP	58
Criticism of Swan Address	59
Union Organ Offers Proposals for 'Better Bermuda' (Editorial; THE WORKERS VOICE, 19 Apr 85).....	60
PLP Dissidents' Survey Shows Voter Dissatisfaction (THE ROYAL GAZETTE, 23 Apr 85).....	62
PLP Leader Makes Broad Changes in Shadow Cabinet (THE ROYAL GAZETTE, 6 May 85).....	64
Drugs Commission Head Urges Prompt Government Action (THE ROYAL GAZETTE, 25 Apr 85).....	66
Foreign Troops No Longer Needed for Internal Troubles (Penny Bassett; THE ROYAL GAZETTE, 29 Apr 85).....	68
Official Fired by Minister Following Leak to Press (THE ROYAL GAZETTE, 7 May 85).....	69

Broad Spending Discipline Needed To Avoid Recession (THE ROYAL GAZETTE, 18 Apr 85).....	70
<b>BRAZIL</b>	
Genetic Engineering: Brazilian Experiments, Achievements (Durval Ferreira; MANCHETE, 30 Mar 85).....	72
<b>CHILE</b>	
Bill Creating Ministry of Sea Signed by Pinochet (Jaime Ercilla; EL MERCURIO, 22 May 85).....	76
New Lawyers' Group Rejects Taking Political Stand (LA NACION, 31 May 85).....	79
Briefs	
Lithium Production Process Sought	80
Easter Islanders Support Proposal	80
<b>DOMINICA</b>	
Opposition Labour Party Dismisses Communist Label (EXPRESS, 31 May 85).....	81
Charles, Douglas Debate as Campaigning Quickens (Peter Richards; CANA, 24 May 85).....	82
<b>GRENADA</b>	
Drug Trafficking Using Vessels From Carriacou Alleged (THE GRENADIAN VOICE, 4 May 85).....	83
Second Probe of Officials for Taking Foreign Funds (CANA, 26 May 85).....	84
Papers Call for Removal of Officials Under Investigation (EXPRESS, 31 May 85).....	85
Agriculture Minister Calls for Farmers Union Probe (CANA, 26 May 85).....	86
Authorities Seize Passport of MBPM Officer Louison (CANA, 23 May 85).....	87
Report on Leader Speeches at Labor Day Rally (THE GRENADIAN VOICE, 4 May 85).....	88
Nutmeg Growers Hit Government Duty on Farm Exports (TRINIDAD GUARDIAN, 23 May 85).....	91

Briefs	
Mitchell on Threat to Democracy	92

## JAMAICA

Seaga's 1985-86 Budget Has Expenditures Up by 1 Billion (THE DAILY GLEANER, 17 May 85).....	93
Budget Overview	93
Details of Estimates	94
Economic Situation Assessed, Policies of Government Criticized (THE DAILY GLEANER, various dates; CANA, 23 May 85).....	96
Problems for Private Sector	96
Threat of Imports	97
PNP Critique	98
PNP on Harm to Farmers	99
Statistical Review	100
1984 Petroleum Consumption	102
Seaga Defense	102
Government Policies Spark PNP Protests, Ensuing Disputes (THE DAILY GLEANER, various dates; CANA, 24 May 85).....	104
Political Reactions	104
May Pen Demonstration	105
Spaulding Comment	106
Manley Statement	107
PNP Accusation Against Police	108
Spaulding on Security Spending	109
Parliament Convenes; Glasspole Delivers Throne Speech (Florizel Glasspole; THE DAILY GLEANER, 16 May 85).....	110
Resort Areas To Be Prime Target in Drive Against Drugs (THE DAILY GLEANER, 7 May 85).....	116
Exporters Urge Trinidad To Relax Trade Barriers (THE DAILY GLEANER, 10 May 85).....	117
Bauxite-Alumina Industry Lowers Production Costs (CANA, 28 May 85).....	118
Carl Stone Hits U.S. 'Contempt' for Third World Peoples (Carl Stone; THE DAILY GLEANER, 8 May 85).....	120
Two Arrested With Communist Literature, Weapons (THE DAILY GLEANER, 21 May 85).....	122

Briefs	
New Agricultural Unit	123
MEXICO	
Increased Support for Assembly Plants Ordered by President (EXCELSIOR, 21 May 85).....	124
Volkswagen Export Policy Change Tied to Peso Slippage (EXCELSIOR, 20 May 85).....	126
PERU	
APRA Economic, Social, Legal Program Architects (PERU ECONOMICO, May 85).....	128
PERU ECONOMICO Editor Writes Open Letter to New President (PERU ECONOMICO, May 85).....	130
Armed Forces Establish New High Command Ranks (Julio Carracedo; EL COMERCIO, 2 Jun 85).....	133
ST CHRISTOPHER-NEVIS	
Central Bank Report Shows Stronger Economic Growth (THE DAILY GLEANER, 10 May 85).....	136
ST LUCIA	
Central Bank Reports 5 Percent Economic Growth for 1984 (THE SUNDAY GLEANER, 12 May 85).....	138
TRINIDAD AND TOBAGO	
Chambers Addresses PNM Constituents, Cites Problems (EXPRESS, 30 May 85).....	140
Attack on Media	140
Reply to Criticism, by Andy Johnson	141
Leaders Voice Optimism as NAR Unity Gains Ground (EXPRESS, 27 May, 1 Jun 85; SUNDAY EXPRESS, 2 Jun 85).....	142
Humphrey Comments, by Anthony Milne	142
DAC on Robinson's Role, by Compton Delph	143
Seat-Allocation Discussions, by Compton Delph	144
Leader Remarks	144
Paper Sees Drug Problem as Growing Political Issue (Editorial; EXPRESS, 27 May 85).....	145

Police Initiate 'All-Out War' on Drug Trafficking (George Harvey; SUNDAY GUARDIAN, 2 Jun 85).....	147
South Korean Trade Mission Visits, Eyes Joint Ventures (TRINIDAD GUARDIAN, 22, 24 May 85; EXPRESS, 22 May 85).....	148
Leader Remarks, by Jerry Johnson	148
Technical Cooperation, by Omatie Lyder	149
Snag in Ammonia Deal	149
Joint-Venture Discussions, by Mikey Mahabir	150
Caroni Losing Money, Having Problems With Sugar, Rice (TRINIDAD GUARDIAN, 18 May 85; EXPRESS, 21, 22 May 85).....	151
Rice Storage Shortage, by Judy Diptee	151
1984 Sugar Loss, by Andy Johnson	152
'Mismanagement' Charge	153
Central Bank Reports on Trade Increase, Public Sector Debt (EXPRESS, 21 May 85).....	154
Decline in Trade Deficit	154
Public-Sector Debt	155
Cooperation in Manufacturing Aired With Mission From Seoul (EXPRESS, 25 May 85).....	156
Government Imposes 18-Month Ban on Garment Imports (Omatie Lyder; EXPRESS, 25 May 85).....	157
Private Sector Official Calls for Government Policy Shifts (Anthony Milne; SUNDAY EXPRESS, 26 May 85).....	158
Bank Report Cites Continued Decline in Economy for 1984 (CANA, 24 May 85).....	160
ONR Official Reviews Bleak Unemployment Situation (EXPRESS, 27 May 85).....	162
Government Warns High Wage Increases Not Sustainable (Omatie Lyder; EXPRESS, 1 Jun 85).....	163
ONR Charges TTT With Imposing Ban on Hudson-Phillips (EXPRESS, 22 May 85).....	164
Television Company in Difficulty, Announces Layoffs (Davan Maharaj; EXPRESS, 24 May 85).....	165
Foreign Service Officer Given Venezuelan Posting (EXPRESS, 25 May 85).....	166



Trintoc Board Expands: Rose Remains as Chairman (TRINIDAD GUARDIAN, 18 May 85; EXPRESS, 21 May 85).....	167
Increase to 12	167
Shareholders' Action	168
Secret Poll Said To Count East Indians in Police Force (EXPRESS, 22, 24 May 85).....	169
Question of Purpose, by Davan Maharaj	169
Padmore Reaction, by David Renwick	170
Briefs	
Cuban Ambassador	171
Oil Tax Incentives	171
Fertilizer Difficulties	171
TURKS AND CAICOS	
Favorable Prospects for New United Party Discerned (TURKS & CAICOS NEWS, 18 Apr 85).....	173
Editorial Discusses Drug Trade, Appeals for U.S. Aid (TURKS & CAICOS NEWS, 25 Apr 85).....	175
Briefs	
PDM Policies	177
New Chief Secretary	177
UK Aid for Police	177
URUGUAY	
Poll Shows Strong Support for Labor Positions (BUSQUEDA, 9 May 85).....	178
Blanco Membership Urged To Join Labor Movement (BUSQUEDA, 9 May 85).....	181
Blanco Leaders at Variance on Marxist Stand (BUSQUEDA, 9 May 85).....	183
IDI Factions Disagree Over Future Political Structure (BUSQUEDA, 9 May 85).....	186
Advanced Democracy Independents Form New Faction (BUSQUEDA, 9 May 85).....	188
PDC Leader on MLN-Declared Endorsement for Broad Front (Carlos Baraibar Interview; BUSQUEDA, 9 May 85).....	189
University Political Groups Prepare for August Elections (Claudio Romanoff; BUSQUEDA, 9 May 85).....	193



INTER-AMERICAN AFFAIRS

SOUTHERN CONE MILITARY ALLIANCE SEEN AS POSSIBILITY

Bonn TECNOLOGIA MILITARY in Spanish Apr 85 pp 66-68

[Article by Daniel Prieto Vial, university professor and expert on military matters and political-strategic matters. A graduate in business administration from the Catholic University of Chile with a postgraduate degree in international relations from that university's Institute of Political Science, he holds the title of professor of war academy specializing in geopolitics. He served as a reserve officer in the Chilean Navy and reached the rank of 1st lieutenant.]

[Text] This publication is a somewhat revolutionary academic essay on a geopolitical proposal that would radically change the Latin American mentality and have great political repercussions on a regional and international level.

It should be emphasized that this is a strictly personal and not an official opinion of the author. Daniel Prieto Vial writes with the hope that this article might initiate a sound policy and contribute to South American integration, this from a military and strategic political perspective.

Prospects of cooperation in all spheres are very promising following the final agreement between Argentina and Chile on the southern dispute. This in turn will make it possible to create the conditions for improving relations with other neighbors even more, especially Peru, with which other new joint projects can be envisioned.

Many wonder what prospects our armed forces would have now that their reason for arming and training have been suddenly interrupted by the accord. Actually, great caution is needed. Historically speaking, we have signed other treaties and accords with Argentina which at the time prevented conflicts. And yet, those treaties have been disregarded or distorted years later, with the result of new political, strategic and arms races that were not foreseen at the time of signing, inasmuch as the prospect of misunderstandings seemed to have been overcome.

The armed forces are still necessary if the intention is to continue stable peace based on a certain degree of balance and deterrence, as shown by

historical experience. However, the military machinery grows sluggish and loses motivation if not given a challenge toward which to work. Only in this way can it be improved and perfected, based on times of growing technological and operational complexity demanded by history in order to continue to be effective. That is why we shall try to propose here a kind of cosmovision in order to change the orientation (if it may be called that) or emphasis (perhaps a better term) of the duties of our armed forces, our whole foreign policy and the country as well.

Chile could work with Argentina for the joint defense of the South Atlantic, the South Pacific, the southern straits and Antarctica. Joint military exercises for this purpose could be carried out. For example, our navy could initially invite an Argentine destroyer or corvette to engage in exercises with our fleet in the Pacific. In turn, Argentina could invite an equivalent Chilean warship to participate in the FLOMAR (Ocean Fleet) exercises in the South Atlantic.

Uruguay also and later Paraguay could join a possible Southern Cone alliance that could begin to work as a Latin American subbloc in search of a new entity. Such an entity would gradually pull us out of a merely regional, almost provincial, perspective and lead us to seek a new bloc perspective with an inter-American and even worldwide projection in which we would have greater relative weight as the result of this new union.

Chile and Argentina would begin this process of growing military coordination. We would try to help the Andean Pact to do the same thing, leading to the incorporation of Brazil and seeking the coordination of the three blocs for the purpose of subregional defense. This can be translated into concrete action such as the joint fight against terrorism, defense of maritime communications, air vigilance operations of a subcontinental type, and so on.

We would begin by coordinating this new Southern Cone with Brazil in the Atlantic. Because of its size and population, Brazil is a bloc in itself. Finally, the Andean Pact, which already constitutes a bloc in the Pacific and the Caribbean, would become the third element in the formula.

This new coordination of the Latin American armed forces could thus constitute a macromilitary entity with its own characteristics, which in turn would coordinate its action with the major Western military organizations such as NATO. The incorporation of Spain into NATO, along with Portugal, a long-time member, would enable those countries to assume the role of bridgehead with Europe for such exercises. This does not mean remaining under their tutelage, for thus coordinated, South American must develop its own personality. Furthermore, each subregion in South America (the Southern Cone, Brazil and the Andean Pact) could consolidate policies based on their own interests, which should later be coordinated on a South American level in order to obtain a sound policy in the common interest, a consensus which should in turn be compatible with the policies of the Atlantic Alliance.

Even Central America might be brought in in the more distant future, along with Mexico which, by virtue of its size and importance, is also a bloc in

itself. However, with respect to the latter, I must admit that I am much more skeptical since Central America is an area proportionately much more unstable than South America and Mexico has demonstrated that it is somewhat apathetic with respect to military cooperation for hemispheric defense (the case of the UNITAS operations and the inter-American exercises). Nevertheless, incorporating these two subregions into South America cannot be discarded and will perhaps be possible in the more distant future. The Andean Pact subregion could very probably be more interested in coordinating policies with Central America in the Caribbean or around the Panama Canal. However, as long as Nicaragua continues in practice to be a Soviet satellite, it will be an enormously disruptive element for joint work in the region.

Throughout the process, the logical point of departure must be the joint work of Chile and Argentina, which will have to take the initiative, although the coordination of the three blocs could begin almost simultaneously, with other interbloc exercises, between Chile and Peru, for example (and possibly Ecuador in the Pacific) and between Argentina, Uruguay and Brazil in the Caribbean and the North and South Atlantic.

By working in a coordinated fashion, these three blocs would constitute a new formula, in phases, for Latin American political integration, integration that was so enthusiastically tried in the 1960's. Along with this political and strategic coordination, we could once more give new impetus to economic integration, this time on more solid bases and gradually overcoming the regional military competition that derives precisely from the mutual distrust which the old cosmovision generated.

#### Caution

However, beyond good intentions and in order to guarantee a realistic peace built on solid ground, peace that cannot be suddenly disrupted by a change in government or attitudes, as one of the component elements of this formula (which might take advantage of new reorganizations of forces deriving from the same accord), it is necessary to continue to maintain a stable military balance among the South American countries. Only this will permit a degree of deterrence and mutual respect that is sufficient between nations during the process of transition to the new scheme. This will be necessary for a considerable period of history, until we truly consolidate mutual acceptance in the new process and overcome all existing distrust.

#### Emphasis

Nevertheless, emphasis must be placed on the positive aspect: having a new common world projection. Each country must cease being only an isolated pawn in the international concert, at the mercy of the often arbitrary political and economic attitudes imposed on us by the great coalitions on the planet. These great coalitions, with their enormous power, are the new realities today: the United States (which since its birth has been formed by the growing incorporation of different states, "united," in North America); the Soviet Union (which, as its name indicates, is the "union" of all Soviet socialist republics); China, which with its 1.08 billion inhabitants and great area,

is a bloc in itself; the European Community, which is integrating its economy, standardizing its foreign policy and integrating its defense under the umbrella of NATO in a continuous process that has been going on for years and that has already borne fruits.

The same thing is being attempted by the Arab world (the Council of Cooperation of the Gulf and other bodies), the African nations belonging to the Organization of African Unity (OAU), the Association of Southeast Asian Nations (ASEAN), and so on. In this race toward the perfection of new supra-national entities, one cannot be left behind in any area: not politically, economically, scientifically, technologically, socially or militarily.

The Chilean-Argentine accord in the Southern Cone is a propitious act for embarking upon a scheme of this type. It is a well-known fact that the Chilean-Argentine dispute was the most disruptive factor, the one involving the greatest danger of war in Latin America (without considering the subversive processes suffered by all countries in varying degrees, since this is a different type of phenomenon). We must not forget that the direct or indirect intervention of neighboring countries such as Peru, Ecuador and Brazil was feared, which makes the prospect of conflict in the Southern Cone doubly serious. With this factor eliminated, the conditions are automatically improved for a new and revitalizing Latin American cooperation.

The Southern Cone and the Andean Pact should first of all consolidate their own subregional reality politically and strategically. Brazil is already a consolidated entity because it is a nation in itself, but it must have a prudent period of time for adjustment to the Southern Cone and Andean Pact subblobs, without affecting the parallel initiation of exercises between the different subregions.

Militarily speaking, in the specific case of the Southern Cone, we must manage to set up naval, military and air exercises, jointly and combined, of a trinational nature on land (armies), in the air, land and maritime spaces of both countries (air forces), as well as the maritime and air-maritime spaces of the Atlantic, Drake's Sea and the Pacific (navies).

We may also take advantage of the opportunity to overcome the lack of coordination between the navy, air force and army, which was manifest in Argentina during the war in the South Atlantic, placing emphasis on the tridimensional, close coordination that must exist between the three forces of each country, in the strategic as well as operational and tactical spheres.

In order to put all this into practice, it is enough to earmark a small proportion of each country's armed forces to begin such interregional exercises. These forces must include the air, land and naval forces, with great capability of movement for operations engaged at great distances. They must be similar to the rapid deployment forces recently created in the United States and different European countries. For example, one could start with 2 percent and finally reach 20 percent of the armed forces of each country. The other 80 percent would always be left to maintain a mutual equilibrium for a long time to come in order to guarantee the stability of the system. The majority



of the forces would be territorial in nature and the international units would be rapid deployment intervention forces capable of moving over great distances.

#### Malvina or Falkland Islands (Another Pending Problem)

Chile is in an ideal position to serve as a link between England and Argentina over the Malvina Islands question. Our country did not side with Argentina during the conflict and is consequently sympathetically viewed by it. Nor did it support Great Britain in any way other than the sympathy which most Chileans felt due to the fact that the British forces at that time were the "savior" in the face of Argentine threats to Chile, threats which at the time of the conflict were very real. Nevertheless, one must emphasize that this in no way meant that the Chilean people are not able to work alongside the Argentines or that they felt any type of insurmountable antipathy. On the contrary, the new spirit is one of growing cooperation and complementation, as previously stated.

In the new so-called Southern Cone, coordinated with the Andean Pact and Brazil, the definitive policy will, as previously stated, be to coordinate policy with NATO and complement it in the defense of the West's joint interests. Within such a program, there is no room for a new conflict between Argentina and Great Britain. On the contrary, we must work toward the final conciliation of both sides and even more, promote complementary interests and further military and naval cooperation of the English and Argentines (or of the British and the Southern Cone as a unit) on the islands, engaging in imaginative joint exercises.

The time cannot be far when we will be able to have air, naval and army exercises of the Southern Cone, Great Britain and even Brazil in the area, in keeping with this new and broader overall vision. Islanders should modify their visceral phobia for anything Argentine, in an effort proportional to those we must all make in carrying out these new programs of cooperation. They must accept the fact that we live in a world of growing interdependency and that Comodoro Rivadavia, Rio Gallegos or Punta Arenas are the closest points of Western support for their logistical support and communications with the rest of civilization.

#### Antarctica

It is a well-known fact that the 1959 Antarctic Treaty may be revised in 1991 and that any attempt to "cannibalize" the territorial sovereignty of the icy continent, resulting in growing tension in the area and thereby threatening peace, must be prevented.

A united Southern Cone would bring practically irresistible pressure in imposing its position on the Antarctic Peninsula, both because of its physical pressure in this geographic area as well as in the international organizations that would discuss problems of sovereignty. It must not be forgotten that practically all the Western nations and the Soviet Union itself normally stop in our countries when approaching the area.

Making such trips directly without any possibility of making stops is an enormous obstacle due to the vast distances involved. This would in the end point up the relative importance of the Southern Cone for access to the Antarctic Peninsula. It is precisely the peninsula and its adjacent territories near the Pole that must be reserved for the Southern Cone. Other South American countries should abide by this principle in order to gain their own scientific and tourist access to the area (not the exploitation of natural resources). This type of commitment would in turn be complemented by the support of the Southern Cone for other interests of Brazilian influence or of Andean Pact countries in zones adjacent to the South American system.

Under the current circumstances, there is a tendency on the part of Argentina and Chile to cooperate in the Antarctic and this tendency must be maintained and strengthened. Any change signifying active rivalry in sovereignty and zones of influence in the area could contribute to a cancellation of mutual efforts, thereby providing access to third countries that would take advantage of such circumstances.

By working together on military, economic and political matters, the Southern Cone nations could develop common foreign policies, acquiring greater relative weight in the international community.

It is a well-known fact that the Southern Cone is the Latin American sector with the greatest percentage of European ethnic groups in its population, which facilitates the potential for future cooperation in the strategic political sphere. This fact helps countries such as Chile and Argentina to take the initiative for a geopolitical project of this nature.

In short, the proposal would make it possible to generate common military policies, which in turn would serve as a guideline for generating political, economic or social integration and above all, generating a closely coordinated foreign policy clearly favorable to the establishment of a new international order with a Latin America more coordinated with the rest of the West.

The political and strategic repercussions of a fact of this nature on the world level are enormous. It would help to change the entire world political and strategic correlation, incorporating South America as an international actor of greater relative weight, helping in turn to improve the balance in the region and between the great coalitions on the planet, in the hope of and continuing search for peace.

11,464  
CSU: 3348/713



INTER-AMERICAN AFFAIRS

MEXICO EXPRESSES INTEREST IN CLOSER TIES WITH CARICOM

FL232101 Bridgetown BARBADOS ADVOCATE in English 17 May 85 p 1

[Text] Mexico wants to improve its trade relations with Barbados and other Caribbean Community (Caricom) countries.

This has been stated by Mexico's alternate governor to the Caribbean Development Bank (CDB) Mr. Salvador Arriola B. at the 15th annual meeting which ended yesterday at Heywoods, St. Peter.

The Mexican official said it would be good if a seminar could be held before year-end between Mexican industrialists, CDB and Caricom government officials. "This would serve to identify the possibilities for economic co-operation in specific goods and services. Of special interest would be those projects related to construction, engineering and consulting, as well as those involving the industrial, farming and energy branches, sectors in which Mexico has achieved competitive development at an international level."

Mr. Arriola B. said his country considered it pertinent to carry out complementary initiatives that will serve to strengthen its links with the Caribbean countries.

Within the Mexico-Caricom Commission there is provision for implementing a financial co-operation agreement between the countries for promoting trade through reciprocal lines of credit, funds for supporting joint ventures in productive projects of common interest, and exchanging information and advice on financial and monetary aspects.

"These measures could be supplemented by signing an agreement of limited scope between Mexico and Caricom, in which Mexico would grant preferential treatment to exports from the region," he added.

CDB president Mr. William Demas said he hoped Caricom governments and the private sector would follow up on the Mexican offer. Mr. Demas also added that he hoped Venezuela and Colombia would follow Mexico's lead.

CSO: 3298/728

INTER-AMERICAN AFFAIRS

IDB PRESIDENT STRESSES NEED FOR CARICOM EXPORTS

FL232108 Bridgetown BARBADOS ADVOCATE in English 17 May 85 p 3

[Text] Any programme for sustained recovery in Caribbean economies must include assistance to improve the external competitive position of these economies, President of the Inter-American Development Bank (IDB), Mr Antonio Ortiz Mena said Wednesday.

He said improved performance by the economies of the Caribbean Community (Caricom) would depend both in medium and long terms on success in removing production bottlenecks and in improving international competitiveness.

His comments came during an address he made to the governors of the locally-based Caribbean Development Bank (CDB), which held its 15th annual meeting at Heywoods on Wednesday and Thursday.

"Because of a high dependence on international trade, and because of a relatively less diversified structure on production than is the case in larger countries, the vulnerability of the English-speaking Caribbean to adverse external shock is greater, even though, in general, the debt profiles of Caribbean countries are not among the highest in the region," Mr Ortiz Mena said.

"In the face of declining world demand for traditional Caribbean exports in the agricultural and mining sectors, and in the absence of any immediate prospect for recovery in the demand for exports such as sugar and bauxite, the challenge to the Caribbean governments is the identification of alternative export opportunities to support the recovery and growth to which they aspire."

However, Mr Ortiz Mena said access to the United States market under the Caribbean Basin Initiative, as well as the European market under Lome III, "considerably improve the potential for export performance of the Caribbean economies."

The IDB president said a revival of intra-regional trade would make it possible for many Caribbean countries to utilise immediately idle productive capacity to improve significantly export and employment performance.

Mr Ortiz Mena said that in the case of the less developed Caricom countries, his bank was committed to lending to the CDB for on-lending.

The bank president said: "In the case of these countries, the bank recognises that the chief bottleneck to improved production and growth may well be inadequate infrastructure and a lack of institutional and budgetary capacity to implement their development programmes."

CSO: 3298/728

INTER-AMERICAN AFFAIRS

DEVELOPMENT GROUP AGREES TO INCREASE AID TO CARIBBEAN

FL262056 Bridgetown CANA in English 1741 GMT 24 May 85

[Text] Paris, May 24, CANA-REUTER--A group of Western and Latin American countries have agreed to increase aid to the Caribbean region by about 400 million dollars to help with debt repayments and economic development, a senior World Bank official said today.

The donors, which belong to the Caribbean Group for Cooperation in Economic Development, met here under World Bank auspices and agreed to raise aid to some 20 Caribbean countries to between 1.7 and 1.8 billion dollars in the financial year 1985-86 just starting, the official, Andre Que, said. In 1984/85 gross aid flows totalled between 1.3 and 1.4 billion dollars.

Que, the World Bank's country programmes director for Latin America and the Caribbean, said that much of the aid would be in the form of standard World Bank subsidised loans. But he added that the European Community was committed to a series of loans on easier terms, while Britain, Canada and the United States would continue to make substantial direct grants to the region.

Virtually all countries in the region suffer from severe balance of payments problems due to rising import prices and a slump in demand for some of their chief exports, notably bauxite, sugar and bananas.

The Caribbean group, set up in 1977, comprises 21 donor countries, of which Brazil, Canada, Colombia, France, West Germany, Japan, Mexico, Britain, the U.S. and Venezuela were represented at the three-day meeting ending here today.

The recipient countries whose needs were discussed during the meeting were Barbados, Belize, Surinam, Jamaica, Guyana, Dominican Republic, Anguilla, British Virgin Islands, Antigua and Barbuda, Dominica, Grenada, Montserrat, St. Kitts and Nevis, St. Lucia, and St. Vincent and the Grenadines.

CSO: 3298/742

INTER-AMERICAN AFFAIRS

CARIBBEAN INDUSTRY, COMMERCE UNIT DISCUSSES TRADE ISSUES

FL242119 Bridgetown CANA in English 0019 GMT 23 May 85

[Excerpts] Montego Bay, May 22--Following is the text of the communique issued at the end of the annual general meeting of the Barbados-based Caribbean Association of Industry and Commerce (CAIC) held here last week.

The meeting resolved that with full private sector involvement there should be an expeditious conclusion to the discussions on the common external tariff, and the revision of the rules of origin and that these updated mechanisms to aid intra-regional trade should be put in place as soon as possible.

The meeting called for the urgent revival of a multi-lateral clearing mechanism (in light of the failure and continued suspension of the CMCf) to facilitate the flow of intra-regional trade by easing the foreign exchange problem of Caricom countries.

The meeting also agreed to explore the role which a suitably structured counter trade regime might plan in helping to overcome some of the immediate problems posed by current foreign exchange shortages.

Business leaders considered with serious concern the grave situation in the Caribbean where some Caricom countries were imposing visa requirements on the citizens of others. They strongly objected to such restrictions as being totally against the spirit and law of the Caribbean community.

In particular they condemned the present situation where Jamaica and Trinidad and Tobago had imposed travel restrictions on Grenadians travelling into these territories for bona fide reasons and discussed the hardship this caused not only to individuals but the adverse consequences it could have for business and intra-regional trade.

The meeting unanimously voted that William Kelstick of St Kitts and Nevis would be the new president for the term 1985-1986.

The meeting also elected a board of directors to serve for the period 1985-86 and these are as follows:

Antigua--Peter Harker and Stephen Shoul; Barbados--Al Knight, Doug Lynch, Phillip Goddard and John S. Goddard; Bahamas--Alexander Knowles and Ms Lorraine Frase; Belize--Elton Jones and Kent McField; Dominica--Norman Rolle and Anthony Burnett-Biscombe;

French Guiana--Jean Pierre Prevot and Paul Magnan; Guyana--Mike Brassington, Peter Daguair, Wainwright McKenzie and Prakash Persuad; Haiti--Jean Edouard Baker and Claude Levy; Martinique--Tain Monplaisir and Raymond Cottrell; St Kitts and Nevis--Charles L.A. Wilkin and Will Kelsick;

St Vincent--Richard Gunn and Arthur Connell; Guadeloupe--Yves Pravaz and Claude Pedurand; Grenada--Richard Menezes and Charles McIntyre; Jamaica--Winston Bayley, Roy Collister, Douglas Orane, Ian Brown, Claude Clarke and Anthony Williams; Montserrat--D.R.V. Edwards and E.L. Kelsick;

St Lucia--Senator O.M. Monplaisir and Hollis Bristol; Trinidad and Tobago--David Wrigley, Sidney Knox, Ken Gordon, Thomas Gatcliffe, Len Hackshaw and Conrad O'Brien.

The newly-elected board, meeting on the morning of Saturday May 18, elected a new executive committee for the 1985-86 period, with membership set out below:

President Will Kelsick, St Kitts and Nevis, 1st Vice-President Clovis Beauregard, Martinique; 2nd Vice-President Henry Vieira, Barbados, [words indistinct].

CSO: 3298/742



INTER-AMERICAN AFFAIRS

BARBADOS BAN ON DOMINICAN EX-OFFICIAL JOHN CRITICIZED

Affirmation of Entry Ban

Port-of-Spain TRINIDAD GUARDIAN in English 30 May 85 p 5

[Text]

ROSEAU, Wed., (Cana): DOMINICA'S Home Affairs Minister, Brian Alleyne, said today that a five-year-old entry ban imposed by Barbados on former Dominican Prime Minister, Patrick John, would remain in force, even if John's Labour Party were returned to office in the forthcoming general election.

Alleyne told Cana that the information was given to him recently by a Barbados Government Minister, whom he did not name.

Barbados placed the ban on John in 1979 along with then Finance Minister, Vic Riviere, and Legal Affairs Minister, Leo Austin, who were alleged to have been party to a plot by a group of mercenaries to topple the administration in Bridgetown.

"I was speaking recently to a Barbados minister, and the Minister was very clear that the ban on Patrick

John and others to enter Barbados, stills stands, and that there is no question of lifting that ban."

DIPLOMATIC CENTRE

Alleyne was questioned on whether John and his political party would be able to give effective representation, if elected to Government, and could not enter Barbados, which he termed the diplomatic centre of the Eastern Caribbean.

Many Western Governments and aid agencies serve Dominica and other Eastern Caribbean islands from Bridgetown.

John is to re-try in October on a charge of plotting to overthrow the Eugenia Charles Government. He is General Secretary of the Labour Party and will contest the election for which no date has yet been set.

LPD Reaction in Dominica

Port-of-Spain EXPRESS in English 31 May 85 p 59

[Text]

ROSEAU, Thursday (CANA) — The opposition Labour Party (LPD) said today a statement by a Dominica Government minister that an entry ban slapped by Barbados on its general secretary and former Prime Minister Patrick John would not be lifted was tantamount to "a blatant interference in the internal affairs of the country" by Barbados.

Home Affairs Minister Brian Alleyne said yesterday that a Barbados Government minister had said that the ban imposed on John and two former

government ministers in 1979 for allegedly plotting to overthrow the government there still stands "and there is no question of lifting that ban," even if the LPD was returned to power in the forthcoming general election.

Alleyne also questioned the ability of a future LPD government to give adequate representation if its ministers could not enter Barbados "the diplomatic centre of the Eastern Caribbean."

8 July 1985

## INTER-AMERICAN AFFAIRS

## BRIEFS

TRINIDAD-VENEZUELA FISHING TALKS--Agreement has been reached on the large majority of items involved in negotiations for a new fishing pact between the Governments of Venezuela and Trinidad and Tobago. Minister of External Affairs, Errol Mahabir, said yesterday, when asked to comment on the current talks, agreement has been reached on a large majority of the items and that there are four more matters to be discussed. Efforts will be made to fix a date to resume discussions on those outstanding matters. The Minister said the officials have initialled what can be described as a "partial" agreement which will be submitted to both Governments for consideration. [Text]  
[Port-of-Spain SUNDAY GUARDIAN in English 2 Jun 85 p 1]

TRINIDAD-ST LUCIA TRADE TALKS--Castries, Sat. (Cana)--Trinidad and Tobago and Saint Lucia have ended talks here with agreement on a package of proposals to boost bilateral trade, the Saint Lucia Trade Minister George Mallet said. Mallet told a news conference the recommendations would be put to both countries' trade ministers prior to a ministerial meeting scheduled to be held next month in Trinidad and Tobago. The officials agreed, among other things, that Trinidad and Tobago take immediate measures to streamline its controversial import licensing system. Government officials here have said the system has led to long delays in the granting of licences for Saint Lucian goods and the approval of the foreign exchange to purchase the products. Whereas these applications (for licences) were taking a length of time for approval these will be processed promptly and the processing should not take more than four days, Mallet said. He added that the recommendations also called for a speedy release of foreign exchange for imports. Mallet has described trade between the two countries as being stagnant. [Text]  
[Port-of-Spain SUNDAY GUARDIAN in English 2 Jun 85 p 4]

FOREIGN CURRENCY-DRUG RACKET--Georgetown, Thurs. (Cana)--Guyana Police have said they discovered a foreign currency racket believed to be linked to the illegal drug business. A Police spokesman said they had found more than \$50,000 in forged currency notes which could have been smuggled in from Colombia. Forged U.S. dollar bills, U.S. travellers cheques, Trinidad and Tobago dollars and pound sterling notes were reported to be found circulating in Georgetown and rural areas. The police said they were working with international investigators to track down people suspected of being linked to a drug network operating in Guyana. They believe the money was to be used for drug pay-offs. Guyanese have been advised to turn in forged

notes to police stations. Police last week announced the seizure of more than 150 pounds of marijuana with a street value of \$200,000. Senior police officials have said Guyana is apparently being used as a transshipment point for marijuana and cocaine. According to Associated Press, several arrests are expected shortly in connection with a recent shipment of 900 pounds of marijuana valued US\$450,000 (TT \$1,080,000) to Barbados. The police spokesman said Guyana Airways Corporation employees had been questioned. An investigation started after Barbados authorities arrested and charged a resident of Guyana, identified as Ivan Griffith, with taking the drug from Guyana to Barbados aboard a Guyana Airways flight. [Text] [Port-of-Spain TRINIDAD GUARDIAN in English 31 May 85 p 24]

CARICOM DIGEST--Georgetown, May 24--The Georgetown-based secretariat of the 13-nation Caribbean Community (Caricom) has begun issuing a weekly digest of Caricom-related news, to improve the flow of information from its headquarters to member states. The Caricom weekly news UPDATE is dispatched on telex and is re-distributed in standard news format both in and outside the Caricom region, mostly through the Caribbean News Agency (CANA). The UPDATE is produced by the secretariat's communications unit which handles public affairs and press relations for the secretariat. The weekly UPDATE is in addition to the community's newsletter, CARICOM PERSPECTIVES, which is circulated to media, houses, businesses, diplomatic missions, and governments throughout the region. [Text] [Bridgetown CANA in English 2033 GMT 25 May 85 FL]

CSO: 3298/728

ARGENTINA

COMMUNIST SECRETARY GENERAL NADRA ON POLITICAL ALLIANCES

Buenos Aires LA PRENSA in Spanish 8 Jun 85 p 7

[Interview with Dr Fernando Nadra, secretary general of the Argentine Communist Party, by Jorge D. Boimvaser, at the central committee headquarters: "Fernando Nadra: Policy of Alliances, Armed Forces"; date not specified]

[Excerpt] [Question] Why don't you tell me who, in your opinion, is in the progressive sector and who is in the reactionary sector of the UCR [Radical Civic Union]?

[Answer] I prefer not to name names right now. We will give them later. In general, there is an important sector of the Radical Youth, members of the government and parliamentarians who have spoken out against the IMF, the financial policy and the drastic solution to the foreign debt problem. Those are the progressive sectors I mentioned. The minister of economy who is not the most reactionary person in the government has proposed a development plan that is the IMF's plan, not the one Argentina needs. Therefore, President Alfonsín lost the applause at Plaza de Mayo that he had cultivated in the first part of his speech. This is reality to us: the country can count on \$4 billion as a result of its foreign trade balance and it has to pay \$6 billion in annual interest alone. We could hand over the \$4 billion and take out loans for the rest which would aggravate the situation and destroy the economy. Consequently, there would be more unemployment, poverty, disease and other scourges. Or we could make a political decision, negotiating with all the creditors together or unilaterally, stating that we have decided on a 10-year moratorium on capital and interests. During that period, we would use the favorable balance to carry out an economic reconstruction plan and improve living conditions for the people.

[Question] Nadra, what you say is "easy" theoretically, don't you think?

[Answer] No historic decision is easy but we have the means to carry it out. We have a developed industrial and agricultural base, competent proletariat, abundant natural wealth, energy, food and good relations with America, the socialist bloc, the capitalist countries of Europe and the Third World to back a decision of this type.

[Question] What can the Third World give us? It is as stagnant and underdeveloped as we are.

[Answer] That is not true. The United States, France and Germany live off the Third World although they try to hide it. Our best buyers for meat and grain are the USSR and other socialist countries. Since there is no crisis there, mutually beneficial relations and long-term plans can be established.

[Question] There is no crisis in the socialist world....Is that a joke or are you serious?

[Answer] I know the subject well and I assure you that I am telling the truth. Since there is no market anarchy, only what is needed is manufactured based on planned consumption. The final proof is that there is no inflation, the currency is not devalued and there is no unemployment.

It is obvious that the newspapers that Fernando Nadra reads and those that this journalist consults on international affairs are not the same. Even the leftist press in Europe uses less enthusiastic language about the East than the local PC [Communist Party] does. However, Nadra "loosens up" somewhat on his ideas and continues: "Some capitalist phenomena influence the socialist world. If they do not buy or the rates increase, for example, this has repercussions on its economy. However, these are capitalist crises that the socialist countries try to withstand."

#### Policy of Alliances

A constant recently is that the PC has been present at every rally held, regardless of the sponsoring group. We asked Fernando Nadra what makes them go out in the streets in answer to any call. He answered: "It is true that we have participated in recent marches: against the IMF, for human rights and in response to the government call to defend democracy although we withdrew when Alfonsin mentioned an economic program inspired by the IMF. We were also with the CGT [General Confederation of Labor] last 23 May."

[Question] You constantly talk about alliances and fronts. Is it to cover up your limited space in the general political panorama?

[Answer] We clearly see that no party can solve the serious crisis alone. Therefore, we talk about the formation of a national front. The process of unity of the democratic forces must begin on 3 November and end in 1989 by producing a substantial change. That is the reason for our proposal for a national and social liberation front or else an electoral agreement that unifies the forces that fight for that.

[Question] Why don't you exploit the front that Frondizi and Herminio Iglesias are putting together?

[Answer] Because that front is not clearly defined. It is two names and a joint act; these do not define anything. One of them professes to be anti-Marxist and friendly with the coup military leaders while the other warns about the leftist trend of the government. These are the old McCarthyist motives from half a century ago.



[Question] Look, Nadra, I don't really understand the PC policy on fronts. You spoke in 1976 of a civilian-military front and you called Videla and Viola "acceptable" for that alliance with the civilians. History demonstrated that you were wrong. Do you now insist on that front?

[Answer] We believe that the Armed Forces must have democratic objectives and respect for popular sovereignty and participate with the people in national liberation.

[Question] It seems utopic to me to think about joint action between the military and the PC. I don't even think you yourself believe in it.

[Answer] The war against fascism in Europe demonstrated that the Armed Forces can fight at the side of the people for the same ideal. However, in our country the formation process of the military mentality has been managed by the Pentagon. Therefore, there were FFAA [Armed Forces] educated against the national mentality. We hope that the Argentine military will be inspired in the best San Martin traditions and, in that way, will contribute with the people to a national liberation process in which they must unquestionably participate.

#### Relations with the USSR

[Question] Nadra, unlike the European communist parties and even certain communist parties in America, the Argentine branch is usually classified as the most obsequious to the Soviet Union. What can you tell me about that?

[Answer] It is not true. Our relations are party to party and are normal among those who have the same Marxist-Leninist concept. The socialist parties, Christian democracies, social democrats and even the liberals throughout the world have close ties among themselves. Why can't we have relations with the Soviet PC? We respect the Soviet state since it transformed society with the October Revolution.

[Question] Aren't you perhaps politically conditioned in Argentina since our country is one of the main sellers of grain and meat to the USSR?

[Answer] Trade has nothing to do with the Argentine PC. If we did not sell products to the USSR, there would be chaos but this does not mean that there are Marxist sympathies due to the fact that products are sold to them. All governments have followed the same line. Peron, the military dictatorships and the current UCR government saw the Soviet Union as a great client and, consequently, they acted. Obviously, for us, for our party, this is a good policy but that does not condition us at all.

[Question] Nadra, there will be a world youth congress in the Soviet Union in July. Why don't they give a demonstration of democracy and, instead of inviting only friendly journalists, invite those who do not agree with their ideas?

[Answer] We would have liked to do that but it is very difficult. Each group invited--the UCR, the Peronists and other parties--have asked for their



journalists. Therefore, it will be very difficult this time since the congress is already here. Perhaps next year it can be done.

[Question] Does this mean that, as always, we independents have no hope?

[Answer] Don't be discouraged. There will always be another time.

7717

CS0: 3348/735

ARGENTINA

#### INTA ANNOUNCES SUCCESSFUL RESEARCH IN NEW HYBRID CORN

Buenos Aires LA PRENSA in Spanish 2 Jun 85 sec 2 p 3

[Text] The INTA [National Institute of Agricultural-Livestock Technology] experimental station in Catamarca reported that a new hybrid corn called Pukalo INTA has been achieved.

This variety is characterized by its high yield. It is a flint-colored corn, the same characteristic as export corn.

Pukalo INTA has shown higher production potential compared to other corns despite the obvious lack of moisture this year in NOA [Northwest Argentina].

The evaluation of Pukalo INTA in seven different environments in NOA always revealed its superior behavior both under minimal conditions of fertility and moisture as well as maximum conditions.

The producers are very interested in acquiring seeds. There should be enough seeds in the 1986-87 year to plant about 1,000 hectares. The hybrid seeds will be developed at the Catamarca experimental station.

#### Strawberries

The INTA experimental station in San Pedro has introduced a new strawberry strain called Florida Belle.

In several comparative tests, Florida Belle had good total yield with a clear advantage in the first crop.

This strawberry has good plant development and flattish, conic fruit with good color. The fruit is medium to large with slightly indented seeds.

The Hilario Ascasubi experimental station is developing this plant in order to spread it in the fruit zones. There will be fresh plants in April-May and plants that have been kept refrigerated in February 1986.

The San Pedro experimental station is beginning the campaign to spread this plant in the fruit-producing zones.

7717  
CSO: 3348/736

8 July 1985

ARGENTINA

## JNG REPORTS RECORD-BREAKING GRAIN EXPORT FIGURES

Buenos Aires LA PRENSA in Spanish 8 Jun 85 p 10

[Text] The JNG [National Grain Board] reported that the shipment of 3,894,257 tons of grain and by-products in May surpassed the monthly record achieved last April by 5 percent.

The figure of 14,684,809 tons for the first 5 months of the year is also a record. This is 11 percent more than in the same period in 1984.

The May shipment is 24.5 percent more than the best past month of May.

Participation by Type of Installation  
(First 5 Months)

Type	1982 Tons	%	1983 Tons	%	1984 Tons	%	1985 Tons	%
JNG	7,097,695	72	8,478,350	68	8,265,657	63	8,726,479	59
Private	1,587,092	16	2,398,002	19	2,778,351	21	4,128,677	28
Direct								
Shipment	1,180,460	12	1,675,302	13	2,087,737	16	1,829,653	13
Total	9,865,247		12,551,654		13,131,745		14,684,809	

These figures again confirm how the system took care of the largest exportable balance and the situation caused by the wreck in the port of Bahia Blanca. This May 14 percent less was shipped from that port than last year and the accumulation of shipments from January to May 1985 fell only 11 percent compared to 1984.

These growing shipments were due to plans that conceptualize all the installations as a system, not as isolated ports. For example, the government elevators have the same installed capacity they had in December 1983. There is better programming of the arrival of merchandise to ports and appropriate coordination with the other organisms involved in port operations and grain transportation.

The new private installations put into operation recently made a major contribution. They substantially increased the total loading capacity and absorb part of the volumes that were loaded directly at open docks, a method that is onerous and inefficient.

The importance of these records lies in the fact that foreign currency into the country has increased and demurrage in the ports has decreased, reducing marketing costs and increasing the net income of the producers.

ARGENTINA

BRIEFS

TRACTOR EXPORTS--Construcciones Metalurgicas Zanello began a program to export tractors last year to consolidate foreign markets. They are produced in its industrial plant in Las Varillas, Cordoba. It has already made shipments to Saudi Arabia and Mexico and formalized operations with Australia, Canada and the United States. These shipments will become final soon. In South America, there have been important negotiations with Uruguay and Bolivia and agreements are being drawn up with Peru, Chile, Venezuela and Paraguay. This plant that just introduced its new 1985 line equipped with air-conditioned engines based on modern European technology has issued a "production plan" to revitalize the domestic market. According to this plan, the producers can buy tractors, paying with grain from three harvests. In this way, the farmer has financing for 3 years with a constant currency and has the tractor after the first payment. [Text] [Buenos Aires CLARIN in Spanish 4 May 85 p 11] 7717

CSO: 3348/736

8 July 1985

BARBADOS

## HAYNES LEADS OPPOSITION OBJECTIONS TO 1985-86 BUDGET

## Call for Bank Probe, Changes

Bridgetown BARBADOS ADVOCATE in English 9 May 85 p 1

[Text]

Opposition spokesman Dr. Richie Haynes wants a full enquiry into the Barbados National Bank.

He has also called for the withdrawal of the dismissals of professional staff, the immediate appointment of a managing director, and that there be no further political interference in the lending policies of the bank.

Dr. Haynes, in his reply to the 1985-1986 Budget delivered on Tuesday, alleged yesterday that the BNB was an institution for "political welfarism" where the authority of the professional management had been undermined and many political loans made.

He said that the bank must be run on sound commercial lines and all loans made in accordance with a sound lending policy.

He said: "The BNB must no longer be an institution for political welfarism in its lending policies to Barbados Labour Party yardfowls. The Democratic Labour Party will have to rescue that institution. It will put an end to all political interference.

"It will appoint a Board that consists mainly of bankers, monetary economists, accountants and persons with legal and related skills. We will retain the membership of the Barbados Workers' Union because it has made a major contribution on the Board."

Dr. Haynes said that banking was not an activity to be run by civil servants, however competent they were as civil servants or administrators in the Public Service "... an aggressive policy will have to be put in place to recover some of the political loans," he said.

He said that the Agricultural Division will have to be moved from the BNB, thereby ending the drain on the commercial sector and providing an institution geared to the needs of agriculture and to attracting long term concessionary finance.

He noted: "We must be in no doubt that the heavy losses incurred by the BNB might very well one day have to be met by the taxpayers in this country."

Dr. Haynes said that the bank's assets had grown from \$137 million in 1978 to \$309 million but the losses had increased from \$155 000 to \$7.2 million. He said that at agriculture in 1983 as \$5.4 million, in the commercial sector — \$17.3 million; and in the trust division — \$2.5 million.

Dr. Haynes alleged that in the agricultural division the professional staff took no decisions in relations to loans. These decisions were all made by a small committee of the Board of the BNB, he said and many of the loans "either have no security, have bad security or the loans are far in excess of good security when the security has been good."

He said some \$70 million was involved.

There was political interference at all levels in the commercial sector, he said, including a Board dominated by people who had no banking experience and who would not act on the advice of senior management.

"There have been many political loans, undermining the authority of the professional management in the bank. It has a loan system where by allowing loans to float over the limits which the manager has an absolute veto on, then it can bypass him and go to the Board."



8 July 1985

He said loans had been made without the knowledge of the general manager and there were cases of people going to one branch and obtaining a loan and then to another branch and obtaining another loan.

At one branch of the BNB, he alleged, 16.24 per cent of all loans were totally unsecured. In respect of 23.5 per cent the only security was letters of undertaking, he said, and added that 39.29 per cent of the loans unsecured were for the most part bad loans.

He said that at one branch there were six bridging loans amounting to over

\$500 000 without reference to the general manager and there was one loan where the security taken was a 20-year-old motor car.

Dr. Haynes also alleged that five members of the former Board were fired because they voted "for good, sound banking in the BNB". This related to changes made in the management of three of the bank's branches, he said.

He also queried why the legal division of the bank, which was the only department generating direct net revenue, was being closed and to whom the legal work was being given.

### End to Borrowing

Bridgetown BARBADOS ADVOCATE in English 9 May 85 p 3

[Text]

Opposition MP Dr. Richie Haynes has said that his party will put an end to what he called the reckless borrowing which he stated was being carried out by the present Barbados Labour Party (BLP) Government.

Dr. Haynes who is the Democratic Labour Party's (DLP) Chief spokesman on Financial matters led his party's reply to the Budget and Budgetary proposals of Prime Minister Mr. Bernard St. John.

Dr. Haynes, said debt charges in Barbados had gone up from \$21.5 million in 1976-1977 to a projected \$103.5 million for the current financial year.

He said, too, that on top of that the country had spent some \$447 million of taxpayers' money in debt service.

Dr. Haynes also dealt with a number of Government enterprises which he said had lost money.

One of the first he dealt with was Caribbean Airways and suggested to Government that it tell the country how much money was spent on that airline. He also queried from Government whether it anticipated it would have to subsidise Caribbean Air cargo in light of an anticipated fall off in trade between Trinidad and Tobago and the United States.

The DLP MP said the only way that the Heywoods Hotel will not be a

"white elephant was if it was painted pink."

Dr. Haynes wanted to know who will be paying to service the \$70 million loan raised to build the hotel, and whether the operation profit would include the expenses for the amortisation payment of the loan.

He said that the hotel had closed as many rooms as it had created.

Dr. Haynes said, too, that Aero Services was a bankrupted operation.

Another Corporation which came under fire from the Opposition Shadow Minister of Finance was the Barbados National Oil Company (BNOC).

He declared the BNOC had borrowed \$24 million to \$26 million from an offshore bank in Barbados; over \$27 million from Venezuela and Canadian sources; and had taxed the people in Barbados to the tune of \$5 million annually, to remain viable as a result of the fall in international oil prices.

He said, that Barbadians over a five-year period had paid \$115 million more for energy than they would have normally paid.

He recalled that last year when the BNOC had produced 469 000 barrels of oil, the net national foreign exchange saving was \$1.4 million, a

similar figure when the 635 000 barrels of crude were produced.

Dr. Haynes said that because of that situation there had been no reduction in electricity rates, and in the prices of petroleum products.

Turning to the Cement Plant, Dr. Haynes said this could meet Barbados' needs in three to four months, and it cannot operate profitably by closing down after three or four months. Dr. Haynes acknowledged there was a slackening in the demand for cement and that there had been much dumping of this commodity.

He also acknowledged that Jamaica had its plant, Trinidad and Tobago also had one, while Guyana did not have money. In view of this the Opposition MP said Barbados had been left with Tobago and the Eastern Caribbean, and had to struggle to get into the non-CARICOM markets against stiff competition.

Dr. Haynes said that taxpayers here have had to pay the Barbados portion of the first year's losses, and indications were that the price of cement will go up.

He warned also that if distribution arrangements recommended by the company were allowed to go through, many people in the distribution of cement will be out of work.

## Transport Shortcomings

Bridgetown BARBADOS ADVOCATE in English 9 May 85 p 3

[Text]

Chief Opposition spokesman on Finance and Planning Dr. Richie Haynes said yesterday there was corruption at the state-owned Transport Board.

And he has promised that his party will put an end to it.

In a reply to the Budget and Budgetary Proposals, Dr. Haynes said that since the nationalisation of the bus service some \$94 million had been put into the Board.

He said this had taken place at a time when there had also been a 300 per cent increase in bus fares, and a 300 per cent increase in passengers.

Dr. Haynes promised that his party will not be increasing bus fares as a cover for management failures.

He compared the operations of the Transport Board with those of the privately-owned mini buses.

Dr. Haynes said that inspite of heavy import duties, stamp duties, consumption taxes, initial licence fees of \$16,000 and renewal fees of \$6,000, the mini bus operators

had a better operation within the same price structure and in the same Barbados.

He said that according to an estimate, mini buses would have put into the Treasury some \$33 million in revenue while the Transport Board which did not face the tax burdens, cost taxpayers \$94 million.

He also touched on the Central Bank stating that the borrowings for the controversial new bank headquarters from part of the National Debt, and overtime will result in revenue losses to the Treasury.

He said finance for the building came from an external loan and the creation of local money.

Transfers from profits of the Central Bank to the Treasury in 1982-1983 amounted to \$8.4 million; 1984-1985 \$3.09 million; and \$1.6 million projected for 1985-1986.

Dr. Haynes said that for 1983-1984 he saw a blank in the Estimates.

## DLP Policy Aims

Bridgetown BARBADOS ADVOCATE in English 9 May 85 p 3

[Text]

Shadow Minister of Finance, Dr. Richie Haynes said last night his party's policies will redress many of the wrongs inflicted on the country by the Government.

He said that under a DLP administration there will be:

- Restoration of economic growth in this country to the order of about three per cent a year;

- Cleaning of the "social landscape of Barbados," polluted by corruption, drugs and crime;

- Reduction of dependence on foreign borrowing, and mobilisation of domestic resources;

- Rewarding individual effort and initiative and the bringing back of profits and prosperity to the private sector;

- Stoppage of public sector losses while maintaining the integrity of the social services;

- Creation of new initiatives in the public sector, while giving major breathing space to private corporations;
- the putting of our people back to work and putting money back in their pockets;
- Revitalisation of the agricultural, commercial, tourist and manufacturing sectors of this economy;

- Reduction in the cost of living;
- Protection of our foreign reserves and our balance payments;

- Creation of an investment climate in Barbados which will restore confidence for local and foreign investments; and

- "Above all, "we will give hope and once again an opportunity to our young people."

"These are the goals, these are the perspectives of the DLP. We did it before and we will do it again," Dr. Haynes said.

## Promise to Farmers

Bridgetown BARBADOS ADVOCATE in English 9 May 85 p 3

[Text] The Democratic Labour Party if returned to power will resuscitate the farming community of this country by providing a number of incentives.

Shadow Minister of Finance, Dr. Richie Haynes during his reply to the Budget said last night that in non-sugar agriculture, the farmers will be provided with better banking facilities.

He also promised increase flow of credit, restoring marketing arrangements and ensuring that there is an islandwide extension service. He also promised a reduction in the cost of water, while transport facilities for farmers who needed it, will be provided and there will be the production of a sound information system for small farmers.

### Sugar Subsidy

Bridgetown DAILY NATION in English 9 May 85 p 1

[Text]

GOVERNMENT'S price support mechanism for the local sugar industry has been a total failure, according to Dr. Richie Haynes.

He said the only sensible thing to do for the industry was to give a subsidy, if not it was going to collapse putting probably about 8 000 people out of work.

He said that by the price support system, Government had put in \$17 million in 1982, \$10 million in 1983 and \$15 million in 1984 with transfers from the collapse of the levy fund of \$24 million, proceeds from the increased prices of sugar of \$16 million over a four-year period and the Government guarantee for Portvale and the overruns amounting to \$15 million, making a total of \$97 million from which should be subtracted the bonds redeemed to date.

He continued: "Despite all of that, through the

price support mechanism, the industry's debt at the beginning of this year was somewhere in the region of \$130 million of which \$105 million was owed by the plantations and \$25 million owed by the factory.

"So the price support system just did not work. It was simply just postponing the evil day. That's all it was doing. It was postponing the day of reckoning, but it was doing something that was fundamentally wrong."

Dr. Haynes said it was encouraging farmers to incur increasing losses in the production of sugar. In that context, he had come to the conclusion that in the overall interest of Barbados, of job preservation, and of the effort that the management of the industry made between 1982 and 1985 that they should be given a subsidy.

### Review of Budget Problems

Bridgetown DAILY NATION in English 9 May 85 pp 12-13

[Text]

OPPOSITION SPOKESMAN on Finance and Planning, Dr. Richie Haynes, has predicted that the ninth Barbados Labour Party Budget since 1976 would fail since it does not take account of the social and economic problems facing the nation.

He said it was a product of the same thinking that has led the country into the situation in which it finds itself today.

Dr. Haynes said the previous budgets were inspired by three dominant considerations: short term political objectives by the Government, taxation and the papering over of the cracks and covering up of the failure of Government's economic policies.

However, he commended Prime Minister and Minister of Finance, Bernard St. John, for taking "a few short, tentative

steps toward bringing truth and candour to bear on decisions taken by Government".

He described the 1985 Budget as a "tinker's kit and caboodle". He said it should be viewed against the background of the serious problems in the economy which developed in 1981.

And, he then outlined a litany of problems which he said characterised the country during the period 1981 to 1984:

- A contraction of output, with serious consequences for all sectors of the economy;
- The sugar industry was ruined;
- The tourist industry declined to a level where its financial viability was being seriously questioned;
- The previously efficient and productive small farming com-

munity was ruined; and

- The indigenous manufacturing sector was plunged deeper into despair, with the beginnings of problems now emerging in the enclave sector.

He said the Government had surrendered to the International Monetary Fund (IMF) the authority to allocate the country's resources and therefore, by definition, its independence.

Dr. Haynes said the period was also characterised by "the most irresponsible politically determined mismanagement of the country's economic affairs" as manifested in the printing of money; mismanagement of capital programmes and runaway fiscal deficits; the abuse of the Central Bank and, later the savings of the nation via the National Insurance Funds;

excessive tax impositions and mismanagement and losses in Government's commercial enterprises.

He said it was dominated too, by unforgivable negligence in protecting the the country's external position as evidenced in the fiasco relating to the CARICOM Multilateral Clearing Facility (CMCF) under which Barbados was owed \$120 million.

Dr. Haynes said the period also saw job losses being generated on a scale not seen in 47 years and all citizens who pursued socially acceptable productive activities experienced a dramatic decline in their standards of living.

The private sector, he said, was severely afflicted by intolerable levels of taxation, low profits, losses, receiverships, bankruptcies and closures never seen before. He said there were dramatic increases in the cost-of-living, relieved only by the external influences of a strong United States dollar and low rates of inflation achieved by the island's main trading partners.

Dr. Haynes said it was a period when high interest rates, a stranglehold on credit and wages suppression all combined to place the burden of adjustment on those who did not cause the problems, that is, the private sector and wage earners.

He said it saw a marked deterioration in the housing stock, the drying up of financial resources for new homes and callous and inhumane treatment of persons in public housing.

It also saw undiplomatic language, he said, which precipitated bad relations with Trinidad and Tobago, with dire consequences for owners of capital and workers in the manufacturing industries.

Dr. Haynes said the authority of Parliament in controlling the public expenditure and public indebtedness was diminished or bypassed; the social landscape of the country was polluted by certain types of crime, gambling, pornography — some of which involved children — the illegal trafficking in drugs and suspected cases of arson.

He said, too, that legislation which violated the Constitution attracted the attention of the courts; the authority of teachers was challenged and some children and teachers were sub-

jected to harassment.

For the first time in 40 years, Dr. Haynes said, the health services of the country declined as was reflected in the major health injuries.

The roads, he said, continued to be in a state of disrepair, now requiring not only major, but costly rehabilitation; the fundamental legal precepts of public utilities rate-making were swept aside and unjustified charges in respect of electricity were imposed.

Dr. Haynes said it saw the contamination of the offshore banking sector even before it got off the ground; ever increasing indebtedness and heavy debt charges; the political abuse and bankruptcy of the Barbados National Bank and unprecedented levels of corruption in the Barbados Labour Party.

He said he would not invite controversy by referring only to those areas identified by ministers of Government, such as immigration, customs, the Transport Board and the National Housing Corporation.

Dr. Haynes charged that there was a continuous stream of property acquisitions with the Government owing citizens as much as \$11 million; and it was also a period when property owners were subjected to ever-increasing taxation on their properties.

Old age pensioners, he said, already deprived of their right to travel free on the buses at their convenience, were given increases in pensions only to have them snatched away by increase in stamp duty, in the cost of electricity and having to pay for drugs they need and which were not available at Government or Government-sponsored outlets; and having to buy their drugs because they could not tolerate the generic drugs made available to them.

It was also a time, he said, when 16 000 school leavers joined the workforce and most of them have not yet found jobs; a time of constant harassment of journalists, of fear, intimidation, victimisation and abuses of power which he hoped the country would never again experience.



## National Debt

Bridgetown DAILY NATION in English 9 May 85 pp 12-13

[Text]

'BARBADOS' NATIONAL DEBT now stands at a whopping \$1.232 billion and not the \$882 million as suggested by Government.

That's the view of chief Opposition spokesman on Finance and Planning, Dr. Richie Haynes.

He told the House of Assembly yesterday that it comprised \$618 million in external debt and \$614 million in domestic debt, which, he added, does not include a loan contracted last March by Government from Japan, loans guaranteed between December last year and the current time, not a \$21 million loan of doubtful legality contracted either by the Transport Levy or the Ministry of Health.

Dr. Haynes said that in 1976 the national debt was \$230 million, of which \$48 million was external debt and \$165 million domestic. By 1981, he said, it had risen to \$507 million, of which \$177 million was external debt and \$330 million domestic.

However, he said, by December last year the debt had grown to \$950 million — according to the Central Bank's Monthly Statistics — of which \$365 million was external debt and \$585 million domestic.

Dr. Haynes said he could not understand what had caused the dramatic drop between the Central Bank's December figure of \$950 million and the \$882 million adduced by Prime Minister and Minister of Finance, Bernard St. John, in the 1985 Budget Speech.

He produced what he said were Central Bank financial statements and International Monetary Fund (IMF) surveys, which he said supported his contention that the more realistic figure was \$1 090 million by

December 1984.

Dr. Haynes said the effect of the spiralling national debt has, on the domestic scene, been a switch in borrowing from Central Bank to National Insurance funds, so that by December last year, Government had borrowed more than 50 percent of the assets of the National Insurance Board.

He described this as "a dangerous position from an actuarial point of view", particularly when investments outside of Government might have given a better yield. He said too, that it comprised the cash flow position of the board and had an impact on the integrity of its payments position since it caused significant delays in payments.

Dr. Haynes charged that Government had spent the savings of taxpayers which would only be recovered through taxation.

He said it was not only the dramatic escalation of the debt, but the significant point was the escalation in borrowing from \$4.1 million in 1976 to \$163.5 million in 1985 from international institutions.

## Impact on Private Sector

Bridgetown DAILY NATION in English 9 May 85 p 12

[Text]

DR. RICHIE HAYNES feels that Tuesday's Budget introduced a mild relaxation in credit and some inducements for export-oriented corporations, but it was four years too late.

According to him, many of the companies now had no capital to benefit from the inducements; and the allowances for expenses in developing new markets outside CARICOM, should be very carefully

monitored because it could be easily abused.

He also felt Government should indicate at sometime whether these inducements would be restricted to specific categories of industries or not.



"So by and large, there was nothing in this Budget for the private sector apart from the one percent allowance on commercial buildings; and what is really required by the private sector in respect of building is a reduction in property taxes."

Dr. Haynes said many buildings erected in Bridgetown in the past five years were now in a situation where they had entered into contracts for rental and because of the increases in property taxes they were making a loss.

### Tax Increases

Bridgetown DAILY NATION in English 9 May 85 p 12

[Text]

INDIRECT TAXATION IN BARBADOS, in the form of consumption taxes, has grown from \$9.6 million in 1975-76 to a projected \$105 million in 1985-86.

This was stated by Opposition Shadow Minister of Finance, Dr. Richie Haynes, in his reply to the Budgetary Proposals presented by Prime Minister Bernard St. John in the House of Assembly on Tuesday.

Dr. Haynes said \$1.3 million in relief was given in consumption taxes. However, he noted that prior to the Budget stamp duty had risen from \$0.9 million to \$55 million, and had now gone up

to \$65 million. This, in fact, represented a seven percent increase over a seven-month period, he stated.

Non-tax revenue, the services provided by Government, including examination fees, had gone up from \$18.9 million in 1975-76 to \$44.4 million in 1985-86, the shadow finance spokesman said.

He said: "The Democratic Labour Party will reduce those charges which impact heavily on the poor people of this country."

Touching on corporation tax, Dr. Haynes noted that it grew from \$30.3 million in 1975-76 to a modest \$66 million in 1985-86 as

was projected.

"This is a clear indication,"

Dr. Haynes said, "of the extent to which the private sector has been bled; every single drop of blood has been extracted. What we got yesterday was a proposal to carry forward tax losses for seven years."

"That does not address, the problem of low rate of return on equity — investment nor does it address the problem of stimulating employment in the short and long-term, which would depend on measures to ensure the viability of industries with a low internal rate of return."

### DLP Plans for Tourism

Bridgetown DAILY NATION in English 9 May 85 p 12

[Text]

THE DEMOCRATIC LABOUR PARTY (DLP) is committed to the rehabilitation of the tourist industry, according to Opposition spokesman on finance, Dr. Richie Haynes.

He charged that as early as 1981, his party warned the Government that there was a need for an orderly reduction in prices in the industry, and that the tourism sector needed to be relieved of

some of the heavy burdens of electricity rates and high property taxes.

### WARNING

He said too that the industry was warned about the need to contain the over expansion in hotel plant, as well as the need for longer term financing and of the problems which would be created by high interest rates.

Rather than attending to these things, said Dr. Haynes, the

Government spent two to three years concentrating on the suppression of the wages of workers; which was a dangerous thing, since the industry was liable to suffer if the workers were underpaid or disgruntled. This, he said, was the case, since the industry depended heavily on the quality of services offered by these same workers.

The DLP, Dr. Haynes stressed, is committed to the rehabilitation of the hotel industry; and once elected to power, would make more money available for tourism promotion.

## REDUCED RATES

He added that substantial sums would also be made available to the Barbados Development Bank for lending as long term loans to the hotel. More money would also become accessible for the refurbishing of hotels, said Dr. Haynes.

According to Dr. Haynes, a DLP Government would also significantly reduce property taxes to the industry as well as reduce water and electricity rates. The fiscal incentives which were once available to the tourist industry would also be put in place again.

## Barrow Contribution

Bridgetown BARBADOS ADVOCATE in English 10 May 85 p 1

[Text]

Leader of the Opposition Errol Barrow said in his contribution to the Budget Debate last night that to date about \$80 million has been collected by various levies, and taken out of the pockets of every working person as a form of direct taxation.

He said this innovation — money not being paid into the Consolidated Fund — is "directly contrary to the Constitution." He charged that despite the Health Levy, taxpayers were still being asked to contribute to the cost of health services out of the Consolidated Fund.

Mr. Barrow said that by not paying all taxes into the Consolidated Fund the Constitution was not being followed because Parliament did not have direct control over those levy funds. The effect is, he said, that the Minister of Transport and Works has more power than the Minister of Finance.

"We have created a monstrosity of a situation where a minister can go to a bank and borrow money without any reference either to the Cabinet or to Parliament," he said. The \$35 million which was raised by the Transport Levy was "too much money for any minister to be playing around with," Mr. Barrow said.

Up to the day before yesterday, he said, Barbadians were paying for health care out of the Consolidated Fund, because the Health Levy "was not being allocated to expenditure on the delivery of health care in the island."

"Between 1981 and 1984-85 the Ministry of Transport and Works had a private slush fund of \$35 million," Mr. Barrow said, and the taxpayers have never been told what has been done with the money.

He said that the minister had absolute control over how the money was spent, and charged that \$100 000 had been spent on the development of private land in St. Lucy.

"The Minister will have to account for that, and I am inviting the Honourable Minister of Finance to ask the Honourable Member, who got in here and had the temerity to show one of the houses on his land with pride on a private development 'as being something that we should support inside here,'" Mr. Barrow said.

At the same time the Transport Board had, up to the end of 1984, lost over \$15 million, he said.

Mr. Barrow also charged that senior "reputable" members of the Barbados National Bank had had to resign, and said "it creates a very bad impression." He charged that people were given loans against the recommendations of staff.

"And then we hear they are bringing in somebody from Jamaica, as if we don't have bankers here who are capable of carrying out those functions."

Mr. Barrow also charged that the chairman of the bank had been seen electioneering in St. Thomas for the BLP candidate in the forthcoming by-election.

On the matter of devaluation of the Barbados dollar, Mr. Barrow said it would be disastrous for the economy if the dollar were devalued. He said he would support the Prime Minister in resisting such blandishments, now or at any time in the foreseeable future.

On savings, Mr. Barrow said that Barbadians have a high propensity to save, but not to invest. He said the major reason for this is "the policy of the

Barbados Government is creaming off 27 per cent of the deposits of the commercial banks, which stifled investment." The high interest charged was to compensate those banks for the income they lost when 27 per cent was deducted from their customers savings, he said.

He said there is liquidity in the banking system but only because the Government has prevented the commercial banks from lending out money. Mr. Barrow said he was very glad to see the "sanity has prevailed" and the situation seems to be changing.

On energy matters, the Opposition leader said that the energy costs have risen 400 per cent over the last 10 years while the cost of the fuel which is burned

to produce electricity had not changed in 10 years. Mr. Barrow said it was not right to call it a fuel crisis when the fuel bill has remained at about \$65 million dollars per year for a decade.

He said that it was unfair that Barbadian consumers have not enjoyed the current drop in the world crude oil prices. Instead the Ministry of Finance has placed a consumption tax on the oil which maintained the price level of petroleum products exactly where it was before.

In other countries Mr. Barrow said, the drop in fuel prices has benefited the consumer. "Here the benefit has accrued to Government revenue and the Mobil refinery and nobody else in the society," he said.

#### DLP Goals

Bridgetown BARBADOS ADVOCATE in English 10 May 85 p 3

[Text]

The Democratic Labour Party (DLP) has as one of its economic goals full employment for Barbadians.

This was stated by Deputy Leader of the Opposition, Mr. Erskine Sandiford during his contribution to the 1985 - 86 Budget.

He outlined five goals which a DLP administration would be aiming at, including full employment. The others are a high level of economic growth; an acceptable level of price stability; a viable balance of payments; and an equitable or just distribution of rising incomes.

Mr. Sandiford said these are reasonable goals to aim at for this country.

The Opposition spokesman on foreign affairs said there was no evidence in the budget of sustained path of growth and development. He pointed to problems in the tourism sector and in manufacturing, and said efforts were still being made to rescue the sugar industry, with unemployment at an unacceptably high level.

Mr. Sandiford said under the DLP administration which left office in 1976 was that inflation stood at 2.6 per cent, while it now stands at 4.6 per cent. He maintained that things were better under the administration of the DLP than they have been during the past eight and a half years of rule under the BLP.

A former minister of education, Mr. Sandiford pointed to the DLP having built schools from local savings while the BLP borrowed large sums of foreign funds to build them.

## Taitt on Foreign Reserves

Bridgetown BARBADOS in English 11 May 85 p 2

[Text]

An Opposition MP has said the Central Bank of Barbados had no foreign reserves and there was a bankruptcy of foreign exchange in this island.

Contributing to the 1985 Budget Debate in the House of Assembly last Thursday night, St. Michael West MP Branford Taitt, submitted that there was a reason for the "high taxes and low wages."

Mr. Taitt said that at April 30 this year foreign reserves at the Central Bank were \$262 million. He said that less than \$120 million owed to this country under the Caricom Multi-lateral Clearing Facility (CMCF) \$142 million was left.

He said Government had to go to Japan for a \$40 million loan and if this loan was subtracted it showed that we were in deficit.

"We have no reserves to build anything...this country is in bankruptcy," the Opposition MP charged.

Mr. Taitt questioned whether banks would lose anything by the reduction in interest rates proposed in the budget.

He said between January 1983 and January 1985 there was a decrease in the total bank overdraft of a mere \$800 000, but a loans increase of \$83 260 million.

He said this suggested that banks have been shifting hard core borrowings to longer repayment periods in order to ease cash flow difficulties in the business sector.

"The country is unlikely to see any change arising out of the decision to drop the interest rate by 1 per cent," he contended.

He said that Government backbencher, Mr. Owen Arthur, when he was a Research Fellow at the Institute of Social and Economic Research (ISER) and in "a more enlightened forum," had said that the management of reserves by the former Democratic Labour Party between 1973 and 1976 set the pattern for development and growth that came in 1977. Mr. Taitt said this was a point the

Opposition has been consistently making from 1977 to this present date.

The Opposition MP said pensioners have been particularly misled by Government. He said four old aged pensioners from St. Thomas had queries on their water bill — they were of the view that Government would have been assisting them in meeting the costs. But they were told by the Barbados Water Authority that the Authority had no power to vary bills.

Mr. Taitt told the House that the water bills of the pensioners had been increased.

"They had been in receipt of letters which hundreds of people in Barbados had received indicating that their water bills were fixed to take account of a toilet and bath," Mr. Taitt said.

The Opposition MP also noted that \$15 million had been taken from the Health Levy to be put into the Consolidated Fund and said this confirmed that such levies had been nothing more than taxation "and that taxation has been imposed on every single person who earns anything in this country."

He also took particular objection to the statement by Minister of Agriculture Dr. Richard ("Johnny") Cheltenham that pornography and corruption were not an issue in Barbados.

"The amount of morality which permeates Government will provide leadership for the rest of the community; if there is no morality at the level of Government chances are that the moral standards of the community will fall. In the final analysis it will be the Masses of this country, including the Christian community that will judge the Government," the Opposition MP said.

"Government has to be guided and informed by some philosophy which includes moral perception and perspective, within which it is going to conduct the affairs of this country," he added.

8 July 1985

## Walcott Reaction

Bridgetown BARBADOS ADVOCATE in English 9 May 85 p 2

[Text]

Bad management has been identified as one of the factors affecting local manufacturing.

This was stated by the General Secretary of the Barbados Workers' Union (BWU) Mr. Frank Walcott during his May Day address at the celebrations held at Solidarity House to mark the occasion.

Mr. Walcott also pinpointed Government as contributing to the serious decline in trade with one of our leading trading partners.

He also emphasised that Barbados being a small country was affected by international economic policies, especially those originating in America and Europe. Mr. Walcott pointed to the high interest rate in America and the huge deficit there as factors having an effect on our economy.

However, Mr. Walcott stated that "for too long we in Barbados have accepted that managers have a God-given ability to manage. We have allowed the untrained, the careless, the visionless to set up shop in circumstances where the economy is booming and faults of management difficult to spot. However, some of us have seen what bad management can lead to in circumstances where the

economy is undergoing recession."

The BWU's General Secretary added that there were, however, some good managers in Barbados and their work was there to be seen.

But he argued that until scientific management is seen as important in industry, until there are trained and competent managers and supervisory staff along with proper and modern designing and marketing strategies, Barbados will continue to have problems with the manufacturing sector.

"Yet we recognise that the blame is not one of bad management alone. Government must take responsibility for its efforts which have caused a serious decline in trade with one of our leading trading partners. We call on Government to make every effort to revive that trade and put Barbadian workers back to work."

Mr. Walcott told the large gathering that the workers have been the ones to pay most for the problems in our economy. They are the ones who make up the 20 per cent unemployed, pointing out that most of them were between 18 and 25 years.

"There are severe problems in

this sector of the society," Mr. Walcott said.

He noted that it was difficult for young people to get jobs even in the public sector where it used to be a matter of getting a secure and permanent job while at the same time Government workers had also been subject to redundancies and lay-offs.

"In circumstances where unemployment levels are high there is a temptation for this situation to be turned against workers. Unemployment is used as a whip to force workers to seek severe cuts in their wages," Mr. Walcott said.

The top trade unionist said we do not have a so-called poverty line based on scientific analysis in Barbados.

"We warn that any measures which are designed to force workers' income below that level which can allow them to enjoy the good life which they deserve, will not only meet with total rejection from the trade union movement, but also lead the workers to speak out on their own, and open the door for less democratic forces in our society."

## BWU Resolutions

Bridgetown BARBADOS ADVOCATE in English 9 May 85 p 2

[Text]

The Barbados Government has been urged to speed up discussions with its Trinidadian counterparts in an effort to normalise trade between the two states and ensure workers in the export sector here return to much needed jobs.

This was one of six Resolutions adopted and passed by the Barbados Workers' Union (BWU) during its May Day celebrations held last Monday at Solidarity House.

The Resolution on jobs "calls upon the Government of Barbados to expedite discussions with the Government of Trinidad and Tobago in order to regularise trading and other relations between the two nation states and return workers to much needed jobs."

On apartheid the BWU "reaffirm its total and unswerving abhorrence of the system of apartheid,

and supports the Government of Barbados, and the International Agencies, in their efforts to eliminate the hateful system, and calls for the granting of Independence to the people of Namibia at the soonest opportunity."

On the Right to Organise the BWU noted that such was fundamental to the existence of democratic trade unionism and are entrenched in Conventions No. 87 and 98 of the International Labour Organisation of which Barbados is a signatory.

The BWU has urged "the Government of Barbados to insist that transnational corporations operating in this country respect the democratic rights of workers to join trade unions."

On International Youth Year, the BWU stated that it supported the concept of IYY and affirmed its faith



in the youth of this country as the foundation for future prosperity.

The BWU "calls for a non-partisan approach to dealing with the youth of this country."

On Women the BWU's Resolution noted that Barbadian women have always played a crucial part in maintaining the security of the family structure and social stability in this country.

As a result the BWU has reaffirmed "its support for those agencies which advance the role of women in such a way that they can make a full contribution to the total society."

On the regional debt problems the BWU "calls upon the Heads of Caribbean Government to adopt the recommendations of the conference, and to actively incorporate the relevant suggested policy measures into programmes designed to deal with the economic problems facing the region."

CSO: 3298/729

## BARBADOS

## ST JOHN RESPONDS TO CRITICS, VOWS NO GOVERNMENT COVER-UP

Bridgetown WEEKEND NATION in English 10-11 May 85 p 1

[Text]

**PRIME MINISTER AND MINISTER OF FINANCE, Bernard St. John, twice emphasised in his hour-long winding up speech last night in the Budget Debate that there would be no cover-up in his Government.**

And he further stressed: "This Government's hands are clean."

He was responding sharply to criticisms that came more specifically from the Opposition's chief spokesman on finance, Dr. Richie Haynes, who replied to the Budget Wednesday; and to the Leader of the Opposition, Errol Barrow, who gave an hour-long reply last night.

Mr. St. John, who on Tuesday delivered his first Financial Statement and Budgetary Proposals, dealt with an allegation by Mr. Barrow with regard to giving information to the police, which he accused them of saying they did not remember.

The Prime Minister said: "As long as I hold this office and the honourable member has any information on the wrong-doing on the part of any one, I wish him to give me that information and I will give it to the police."

Mr. St. John said he would not preside over a Government and do what Mr. Barrow did (meaning when Mr. Barrow was leader of the Government).

### The right place.

Added Mr. St. John: "If the honourable member has a resolution, this is the right place to bring the resolution, and it is the right time. There will be no cover-up on this side. I will not follow the honourable member."

Mr. Barrow had earlier accused some people highly placed, and police of not remembering car numbers.

Replying to the accusations, Mr. St. John said it was a serious thing for the Leader of the Opposition to get up in Parliament and make allegations about public officers.

"I take that very, very seriously," said Mr. St. John, adding that "the honourable member is, in fact, saying that a minister of this Government used public funds for his own personal gain."

"That is a serious allegation and that allegation also goes to all of those who are participants in the exercise; and I want to say Government was exceedingly careful when the Transport Levy Fund was passed, to ensure that public accountability took place."

"It set up a levy board which had to account to Parliament and it had to have accountants of quality," said Mr. St. John.

After reading out the names of the members of the Transport Levy Fund Board, he asked: "Is the honourable member saying that these men are the conduit pipes for the shenanigans of the ministers?"

He had been told, Mr. St. John said, that the allegations were totally untrue; and he gave the House the assurance that he would again investigate the allegations made by Mr. Barrow.

The allegations concerned roads in St. Lucy. And Mr. St. John said he had been reliably informed by no less a person than the Honourable Member for St. Lucy, Roy Brathwaite, that the roads spoken about — Trants, in St. Lucy, and a number of other roads — had been specifically dealt with at his request.

Mr. St. John gave the further assurance that the Government has a mechanism to ensure that no one could take advantage of Government's money to increase the value of land.

Turning to an allegation regarding the Barbados National Bank (BNB), Mr. St. John said he was personally very grieved that Dr. Haynes thought that the House of Assembly was the appropriate place to reveal a breach of secrecy.

The Minister of Finance said Dr. Haynes had disclosed information about the workings of the BNB which he got from a person who was an officer or servant of the bank.

Stating that he had been around too long in politics and law to know that there were two sides to a story, Mr. St. John said: "The Honourable Member (Dr. Haynes) has made some very serious allegations against the chairman of the board and others who happened to have been civil servants. And so too, has the Leader of the Opposition, accusing the chairman of canvassing in St. Thomas."

Mr. St. John pointed out that it had been reported to him that banking incompetence was the reason why the bank had disagreements with that particular officer who was the informant.

The Prime Minister went on: "There was a profound disagreement between some members of the board and the former general manager in relation to a bit of advice given on a number of occasions."

"I have been informed that the viewpoint taken by some members of the board that the general manager was incompetent in that he gave advice on two occasions on the calculation of the average lending rate."

If that advice has been accepted, said Mr. St. John, it would have cost the bank \$1½ million.

Mr. St. John was further informed that as a result of an investigation by a distinguished former Barbadian banker, that banker recommended that the general manager was incompetent for his job.

CSO: 3298/731

BARBADOS

PPM LEADER SEALY BACKS DLP BY-ELECTION CANDIDATE

Bridgetown BARBADOS ADVOCATE in English 9 May 85 p 2

[Text]

Leader of the People's Pressure Movement (PPM) Mr. Eric Sealy was at the Holy Innocents Mixed School yesterday, not to hand in nomination papers, but to lend his support to the Democratic Labour Party's candidate, Mr. Junior Rock.

Mr. Sealy reiterated that his party will be throwing its full weight behind the DLP's candidate in the forthcoming general election.

The PPM leader said it was necessary for his party to support Mr. Rock since the constituency of St. Thomas and the island as a whole needed "people who would offer true representation... not just make flamboyant statements and not keep their promises. A victory for Rock will be a victory for democracy and a rejection of arrogance ..." he said.

Mr. Sealy who will be setting up his PPM's political platform at Rock Hall on Saturday night said he was predicting a victory for Rock by approximately 475 votes.

CSO: 3298/731

BARBADOS

GRIFFITH REPORTS RECORD OIL OUTPUT SO FAR IN 1985

Bridgetown BARBADOS ADVOCATE in English 11 May 85 p 2

[Text]

Barbados has registered record oil production so far this year and Minister of Energy, Senator Clyde Griffith, has said it was hoped to meet a target of just over 700 000 barrels by year-end.

Last year the island produced 635 000 barrels of oil.

The energy minister was speaking after a tour on Wednesday of the Barbados Light and Power Company's Supervisory Control and Data Acquisition System at the company's Garrison headquarters.

With the SCADA system, operators receive information on the status of the system with minimum delay and this enables them to diagnose problems and carry out switching operations quickly.

Emphasising that he was impressed with the developments at the BL and P, Senator Griffith said since 1983 a study prepared for the Caricom Ministers of Energy demonstrated that the company was the most efficient in the Caribbean.

"I have said this publicly several times and I want to emphasise it publicly today. If you want efficiency there must be some price you have to pay for it."

The energy minister added that another study showed that Barbados had some of

the lowest prices for energy in the Caribbean; prices that compared favourably with those in New York City.

"Barbadians must appreciate that we have one of the most secure and efficient systems at a price which compares very favourably internationally," he stressed.

The minister would not commit himself to a question on whether he thought the company would be justified in seeking an application to the Public Utilities Board (PUB) for an increase in rates, declaring that "I am not a member of the PUB."

He did point out, however, that if we wanted to maintain stability in electricity prices we must look at the fuel stock that provides the source of power. This is the fuel charge, in which Senator Griffith noted a "dent" had been made since 1982.

"When one looks at the source of fuel for providing electricity power one must remember that we use a fuel, oil, considered expensive.

The Barbados National Oil Company sells natural gas to the BL and P Company. The company also gets a crude oil from the Mobil Oil Refinery — crude sold to the refinery by the BNOC.

CSO: 3298/731



BARBADOS

BRIEFS

RULING BLP RETAINS SEAT--Bridgetown, May 24--The ruling Barbados Labour Party (BLP) retained the parliamentary seat left vacant by the death of former Prime Minister Tom Adams in a by-election yesterday but with a substantially reduced majority. Queens Council David Simmons, 45, polled 3,036 votes to the 2,533 of salesman Junior Rock of the Democratic Labour Party (DLP) to win the rural St. Thomas seat, electoral officials announced early today. His majority of 503 compares with the 1,600 gained by Adams in the 1981 general election. Adams died last March 11 of a heart attack. Simmons, an experienced politician, returns to the House of Assembly after a four year absence. It was the first attempt at the polls for the 33-year-old Rock. [Text] [Bridgetown CANA in English 1331 GMT 24 May 85 FL]

VATICAN ENVOY--The new Vatican non-resident ambassador to Barbados, Manuel Monteiro de Castro, has presented his letters of credence to Governor-General Sir Hugh Springer here. Archbishop Monteiro de Castro, who is based in Trinidad and Tobago, succeeds the Monsignor Paul Tabet. [Excerpt] [Bridgetown CANA in English 1441 GMT 22 May 85 FL]

CSO: 3298/729

BELIZE

PAPER QUERIES COMMUNIST SYMPATHIES OF PUP ADMINISTRATION

Belize City THE BEACON in English 4 May 85 p 2

[Editorial]

[Text]

*IN one of the "Face the Nation" programmes, the Minister of Education made the claim that masses of communist propaganda material kept arriving at his ministry addressed to "the previous minister" - Mr. Said Musa. A PUP newspaper howled "foul!" He had no right, they said, to open what was not addressed to him. But it WAS addressed to the Minister of Education, and the Hon. Derek Aikman IS the Minister of Education. Is everything so addressed to be turned over to Said Musa to keep what is his, return what isn't? Utterly ridiculous, of course.*

*The PUP is frightened and angry because the public is asking questions which they cannot or dare not answer. Here are some examples:*

*Why was the controversial mail not properly stamped and/or postmarked to show the country of origin? Was it because the country of origin was Cuba or Nicaragua? Why was such a very great amount sent? The Minister couldn't have read it in his whole five years of office, so, was it for distribution among gullible people?*

*Why did the PUP hegemony encourage and arrange for labour leaders to study "trade unionism" specifically in those countries which are notorious for having no free trade unions, where workers cannot bargain, ask for a raise, or strike, without being ruthlessly crushed by the military? (Or haven't they heard or read about Poland and Walesa)?*

*Why did the PUP bosses object to a modest mission from Belize going to El Salvador to observe an election? Why did they call that "dangerous involvement"*

in Central American politics, forgetting that the PUP government sent a strong corps of teachers and students to Nicaragua to physically help and show solidarity with the Sandinistas?

Why was it that at independence, the Commonwealth West Indian island mostly sent one or two representatives (Barbados 2, Antigua 1, Dominica 1, Bahamas 2, St. Vincent 1, Trinidad 2 etc. etc.) while CUBA sent a whopping 15, NICARAGUA 11, GRENADA 7 - at that time Grenada being Cuba-dominated?

The evidence is too strong for reasonable men and women to ignore or forget. With all their faults, Fred Hunter (defeated by Sam Rhaburn in the last general elections), and the Hon. Louis Sylvestre (now an independent assemblyman) turned their backs on the PUP, alleging that it had become a communist-dominated political machine. When fish come from river-bottom - we know the rest!

CSO: 3298/744

BELIZE

THOMPSON ADDRESSES ILLEGAL IMMIGRATION, DRUG ISSUES

Belize City THE REPORTER in English 5 May 85 pp 1, 14

[Text]

Belize's Deputy Prime Minister and Minister of Home Affairs, Mr. Curl Thompson has announced that he has appointed a task force "to look into the entire position of alien immigration to Belize". He has requested this task force to put forward its report and recommendations as early as possible for government's consideration.

Mr. Thompson was speaking during the passing out parade of Police Recruit Squad No 48 last week at the Police Training School.

Mr. Thompson said that reports reaching his desk the last few months have confirmed that there has been an increase in crimes against the person and against private property and that the alien population in Belize has featured "very prominently" in this matter. These reports, he said dictate that immediate action be taken to "take a close look at the policy of immigration of persons into Belize".

"Belizeans are for the most part a loving, law-abiding, accommodating people" Minister Thompson said. "We therefore cannot accept and will not accept that non-Belizeans will introduce violent crime into our country".

To counter the wave of crime Mr. Thompson announced that he has asked for more foot patrols in the city center, in the Belcan Bridge area and King's Park area. He said his

ministry was working on plans to free police officers from clerical duties so that they could spend more time doing police work. He said civilians would be brought in to perform the clerical duties which policemen now do.

Government, he said would continue to put pressure on smugglers and (drug) traffickers and would increase its surveillance countrywide in an effort to eliminate the (marijuana)

fields in all parts of the country.

"The clandestine airstrips will be destroyed, as they are found" he said, "and sea, land and air patrols will be continued and intensified".

In this same speech Mr. Thompson touched on the matter of police brutality. "Since taking up my responsibilities as Deputy Prime Minister and Minister of Home Affairs", he said "I regret to inform you that I have been disappointed with the general performance of the Police Force. I am distressed by continued reports of police brutality and disregard for the individual rights of the Belizean public. In the year 1984 alone Government was forced to pay \$5,400 for police abuse".

Mr. Thompson went on to say that he knew that in the performance of their duty the Police would come in contact with hardened criminals. But, said he, "It is the duty of every police officer to show compassion and understanding and respect for the dignity of the individual and to treat every person of whatever social position, race or creed with courtesy and understanding. You are reminded that you are accountable to the law, not only to some senior officers and government officials. You must not close your eyes and be silent. You must speak out against injustice and show resolution and honesty if faced with mal-practice."

Speaking out on efforts to suborn

members of the Police force, Mr. Thompson declared: "I am fully aware that certain members of the Force and the Public Service have allowed themselves to be involved in matters that are not in the best interest of the service particularly, and the country generally. The subject of corruption is a distasteful one. But the fact is that those unscrupulous minority in service have managed to evoke unpleasant reactions towards our Service and our reputation is at stake, despite the genuine efforts of the majority."

"I will do all I can" the Minister said, "to see that proper disciplinary measures are taken against those who deserve punishment and to reward those who are due reward".



BELIZE

UNION'S LABOR DAY MESSAGE ATTACKS FOREIGN USURPATION

Belize City THE BELIZE TIMES in English 5 May 85 p 3

[Text]

After enjoying ourselves on Labour Day, or any festive season for that matter, does it all end there? Are things O.K. for Belizean workers? Are we receiving our fair share of the wealth? If the answer to the questions is yes, then rest assured, you are wrong. The time is already ripe for Belizean workers to WAKE UP and know what is happening around you, and the possibilities of being swallowed up by the monsters that are growing in this country.

To mention a few issues - The banana workers right now are suffering - casual and seasonal workers at this very moment are still not qualified for Social Security illness benefits - Penetration of alien workers into employment areas in the country.

However, though the above-mentioned issues need immediate and urgent attention, which is in the process, the major issues I intend to discuss at this time is CITRUS.

At this point in time the entire country is looking at citrus as a prosperous and blooming industry. Though there is a high percentage of truth in it, yet, when you look at the farmer with large acreage of grapefruit then you see another picture.

Even if we all agree that citrus is a very profitable business at this time, there is a need to look into the future, say ten to fifteen years from now. Will it still be the same?

Belizean citrus growers, Belizean citrus workers, citrus processors, I hereby challenge you to examine and analyse the future of citrus in Belize keeping the problems of the sugar cane growers in mind.

Let us begin with the downfall of citrus in the United States of America. Then we look at the 500 and more acres of citrus to be planted in the Hill Bank area. Then we look at who got the concession for the citrus business in Hill Bank. Then we look at our best citrus market at the moment. Personally I am seeing an octopus over shadowing the Belizean citrus business if Belizeans involved in citrus do not get up now and make sure to be involved in the decision-making in any new citrus project in the land. Workers of Belize, Corozal and Orange Walk, the cane crisis is a thing that is not to be forgotten.

Without fail citrus people from U.S.A. will be pouring into Belize, and if they are left alone to catch root here Belizean citrus growers will sooner or later be secondary producers in their home.

So, Belizean workers while we celebrate festive seasons, let us not forget that there is much work to be done, and solidarity and united actions are our only tool in the struggle for survival.

The struggle continues.

(Pablo Lambey, Secretary, United General Workers Union, Dangriga branch)

CSO: 3298/744

BELIZE

VENEZUELAN HOUSING LOAN TO HELP LOW-INCOME FAMILIES

Belize City THE BEACON in English 4 May 85 pp 1, 12

[Text] Attorney General and Minister of Housing Hubert Elrington returned to Belize from Venezuela on Monday armed with a \$12.5 million low income housing loan.

The loan agreement was signed by Mr Elrington with three agencies in this progressive Latin American nation--the Central Bank of Venezuela, the Investment Fund of Venezuela and the Picinni Construction Company of Venezuela--and will be used to construct 500 houses.

A spokesman for the Ministry of Housing said that previous "low income" houses built by the previous administration were found to be out of reach of the ordinary family man. But this housing loan will be utilized entirely to meet the pockets of middle and lower income citizens and their families.

It is expected that efforts will be made to get the building schemes under way as quickly as possible. There is a crying need for more houses, particularly at the grassroots level.

In related news Housing and Planning Officer Mr John Hertular attended a workshop on hazard prevention held in Trinidad and Tobago, under the sponsorship of Pan/Caribbean Disaster Preparedness and Prevention Project.

CSO: 3298/744

BELIZE

# LIVESTOCK INDUSTRY DISPUTE ENDED; EXPORT BAN REMAINS

Accord on Resources

Belize City THE REPORTER in English 12 May 85 p 1

[Text]

REPRESENTATIVES of the Belize Livestock Producers Association and the Ministry of Natural Resources have reached broad agreement on how to settle the problems of the livestock industry.

An announcement released on Friday said the Ministry of Natural Resources will recommend that government review its agreement with the Caribbean Development Bank with the idea of getting the CDB to renegotiate its loan conditions reflected in the export ban on live animals. The Ministry has also agreed to recommend

an importation programme under which Belize will bring in live cattle on a trial basis, subject to satisfactory guarantees. A temporary permit would then be provided for the BLPA to export live animals under a monitoring system which would allow the Ministry to keep its finger on the pulse of the exportation programme.

The Belize Livestock Association for its part agreed to give its full backing to the Meat and Livestock Commission and to give the Ladyville Abattoir and Meat Packing Plant every opportunity to continue.

It was further agreed that the dialogue between the Ministry and the BLPA should continue.

Friday's meeting took place between the Minister himself, Mr. Dean Lindo, his Permanent Secretary Mr. James Hyde and Principal Vet. on the one hand and officers of the BLPA headed by Mr. Fred Hunter, newly elected Chairman, on the other.

A spokesman later told the Reporter that the meeting had been frank and friendly and reflected the common concern for the strengthening of the livestock industry.

Government Statement

Belize City THE REPORTER in English 12 May 85 pp 1, 4

[Text]

FOLLOWING a long, uneasy silence the Ministry of Natural Resources has released a statement defending its decision to put a brake on live cattle exports and further to tighten up on health standards in the slaughter/butcher trade.

A three page leaflet released by the Ministry of Agriculture and entitled "Development Trends in the Livestock Industry" sets out the Ministry's philosophy and plan of action to encourage consistent growth.

Firstly it says, the Ministry is oposed to the exportation of the country's breeding stock. Breeding stock, in the Ministry's view, includes cows capable of becoming surrogate mothers and heavy animals weighing 800 pounds and more.

Secondly, the Ministry has determined that the way to get the most from the country's livestock resources and the way to create consistent growth is through a programme of meat processing aimed at both the export and domestic

markets. This means, for all practical purposes at this time, working through the Ladyville Abbatoir which has been specially structured to help in this national effort.

The Ladyville Abbatoir, when in full swing, will not only provide quality meats for export; it will also process livestock to produce such import substituting foods as ham and sausage, corned beef and pickled pork. At the same time the Abbatoir is geared to make full use of the animal by-products such as skin for leather and bone and offal for protein supplement.

Expanding on this theme, Mr. James Hyde, Permanent Secretary in the Ministry of Natural Resources, told the Reporter this week that while it is not the government's intention to do anything that would have the effect of controlling cattle prices, his Ministry had determined that it was necessary to work through the Ladyville Abbatoir, which was in fact 51 per-cent nationally



owned, and which is uniquely suited to Belize's development programme in view of its USDA-approved status.

Government, Mr. Hyde said, would like to see a resumption of free market forces to determine price, but it was not prepared to sit back and watch the further depletion of the country's breeding stock\*, or any dismemberment of its carefully laid plans for the Abattoir, which in the government view, is vital for healthy and sustained growth in the cattle industry.

Mr. Hyde has expressed confidence that as the volume of animals being pro-

cessed through the Abattoir increases, butchering cost will be reduced.

"But the abattoir is only doing an average of 3,000 animals a year, and it needs to do at least 15,000 a year in order to ensure success," Mr. Hyde said.

"This means that cattle producers will have their work cut out for them to produce the 10,000 more animals that the abattoir will be needing annually from now onwards".

\*The Belize Sugar Industries cattle herd, some of the finest breeding animals in the country, has been almost completely sold off to buyers in Quintana Roo, it has been learned.

CSO: 3298/745

BELIZE

# BELEAGUERED SUGAR INDUSTRY SCORES PRODUCTION GAINS

Belize City THE BEACON in English 11 May 85 p 8

[Text]

Solutions to the mammoth problems facing the sugar industry are not even in sight, but Corozal Farmers have reported record deliveries of 22,433 tons of sugar cane for the week ending 12 March. Furthermore, the Tower Hill (Orange Walk) factory's currently average grinding rate of 254.27 tons per hour has surpassed last year's average by a substantial 21.01 tons per hour for the same period. All this according to the last monthly report (March 1985), of the Belize Sugar Board issued on April 9.

Meanwhile, the report states that Prime Minister Mr. Manuel Esquivel and government officials held discussions with Directors of Tate & Lyle

and the Cane Farmers' Association on the problems facing the industry. Foremost in these discussions is the proposed transfer of ownership in the Belize Sugar Industries Ltd, under the buy out plan cooked up by Tate & Lyle and the previous government.

According to the Sugar Board Report, the grinding and export company has submitted new proposals to the new government. The report said that the company is studying offers from foreign investors, who have indicated interest in the purchase of BSI shares.

Production figures disclosed in the report show sugar production at 72,927 tons from 692,510 tons of sugar cane. The grinding season ends this weekend.

CSO: 3298/745

BERMUDA

## UBP, PLP REMAIN SPLIT OVER U.S. NUCLEAR-ARMS ROLE HERE

### PLP Call for Consultation

Hamilton THE ROYAL GAZETTE in English 19 Apr 85 p 5

[Text]

Bermudians have a right to know exactly what role the Island plays in US military strategy, Progressive Labour Party leader Mrs. Lois Browne Evans said yesterday.

The Opposition leader said the Island should follow the leads of Canada, Iceland and New Zealand by challenging unilateral US nuclear weapons deployment plans.

"You don't have to become a mouse just because you are in the shadow of a giant," said Mrs. Browne Evans. "Bermuda must not lose its dignity or its will to demand to be consulted."

In January, Washington-based atomic arms expert Mr. William Arkin released copies of the classified US Nuclear Weapons Deployment Plan.

The document detailed US plans to deploy nuclear weapons in Bermuda, Spain, Canada, the Azores and several other countries which normally do not maintain atomic arsenals.

"We feel used and abused," said Mrs. Browne Evans. "We're not saying the US can't have bombs here, but we want to be consulted about it."

The Opposition leader dismissed suggestions the US would apply economic press-

ures to Bermuda for questioning the alleged nuclear deployments.

"I don't think they would have to do that," she said. "We are not taking a position on the nuclear disarmament question."

"What shocked us was to find out that we were being used as part of the US nuclear alert strategy without being told."

The Opposition Leader said the PLP sent a letter to British Foreign Secretary Sir Geoffrey Howe expressing concern over the nuclear deployments issue.

"I have since received a reply from the Minister of State at the Foreign and Commonwealth Office, Baroness Janet Young," she said. "In this the Minister reiterated the familiar statement that 'it has been the longstanding practice of the British and American governments neither to confirm nor deny the presence of nuclear weapons in particular locations or to discuss operational planning'."

Mrs. Browne Evans referred to Baroness Young's letter as a rebuff and criticised the British Minister for saying Premier the Hon. John Swan was happy with current US military policy

regarding Bermuda.

"The very fact John Swan is satisfied should have told her I'm dissatisfied," she said. "I'm dissatisfied and I think the people of Bermuda are becoming more dissatisfied."

"We have a lot of clout because of our strategic position and we must never forget that."

Mrs. Browne Evans said the issue of US nuclear deployments in Bermuda would probably receive a warmer reception from Britain's Labour Party.

"Last month I wrote to the British Opposition Leader Mr. Neil Kinnock, after his Press Secretary Miss Patricia Hewitt suggested that we forward a full brief on developments pertaining to Bermuda and the nuclear deployment plan," she said.

"I wrote that we were hopeful, in view of past cooperation emanating from

the British Labour party, that its Parliamentary spokesman might see fit to raise this matter through the appropriate channel or forum."

Mrs. Browne Evans said she hoped the topic would eventually be debated on the floor of the House of Commons.

"The PLP is also in the process of establishing a chain of communication and consultation on this vital issue with not only the British Labour Party but other parties and governments in jurisdictions similarly affected," she said.

"We believe we can all benefit from such cooperation on this vital issue with vigour, both inside and outside Bermuda."

The Opposition leader claimed the British and American habit of "neither confirming nor denying" reports about nuclear weapons went against NATO policy concerning host-nations.

#### Action in Parliament

Hamilton THE ROYAL GAZETTE in English 4 May 85 p 5

[Excerpts]

**Premier the Hon. John Swan** caught the Opposition by surprise yesterday when he proposed an amendment to a motion expressing concern over the possible deployment of nuclear bombs in Bermuda.

Mr. Swan drew cries of foul play from the Opposition benches when he rose to make the amendment only moments after **Mr. Lionel Simmons** (PLP Member for Change) stated the case in support of his own motion. But the amended motion passed by a verbal vote late in the afternoon.

"The myth has built up that we can take this decision about nuclear weapons and live and survive in isolation," said Mr. Swan. "To destroy that

myth I have made my amendment."

The original motion read: "That this House take note that there is growing concern amongst Bermudians about the possible deployment of nuclear weapons in Bermuda."

The motion was proposed after months of public debate over the alleged US Nuclear Weapons Deployment Plan which calls for the deployment of 32 Mark B-57 nuclear depth charges in Bermuda during times of advanced readiness.

Repeated calls for a full explanation to the allegations only solicited the standard response from the US authorities; that they would neither confirm nor deny the reports.

"Bermudians must have some idea whether or not we will be involved," said Mr. Simmons. "This is our Country, and we should have a say in what happens here."

Mr. Swan conceded there was concern in Bermuda over the issue. But he insisted it was naive to think the US would give the Island advance notice on whether or not nuclear weapons would be deployed in Bermuda.

And taking the initiative, Mr. Swan proposed his own amendment to the motion. It read:

"This House taken note that there is a concern amongst Bermudians about the possible deployment of nuclear weapons in Bermuda, but recognises also the importance of the Atlantic Alliance to Bermuda's overall security, and the strategic importance of Bermuda to the Alliance. This House reaffirms its support for NATO, and the role of the United States of America in NATO, in which role Bermuda has an important part to play."

Added Mr. Swan: "Bermuda is a dependent territory of Britain, and under the current circumstances, we are part of the NATO Alliance."

"The question really is, 'Do we undermine one of the things (NATO) that has maintained a stand-off between the two superpowers, or do we support it?'"

"It is nonsense for Bermuda to simply say to the US authorities that you tell us (whether or not nuclear weapons are being brought into the Island)," said Mr. Swan. "What are we going to do? What are we going to do?"

"We as a country better recognise the realities and stop being arrogant. The motion has a sense of arrogance — as if to say, 'Look America, do this or else'."

"Bermuda is a responsible

member in the North American alliance, which has contributed to keeping this area secure. That's what this issue is all about."

"If we want to lie down and be taken over, and have chaos take over, the process can start by saying these things."

"Yes, I agree Bermudians should be concerned, that is why we have put in (amendment to) the motion. We have a role to play — to help insure that the alliance of NATO is kept intact."

**Leader of the Opposition, Mrs. Lois Browne Evans** argued that Government was saying Bermudians had better shut up if they wanted to continue and enjoy the benefits of freedom.

"If we like the comforts of life (the Government is saying), we had better shut up and not say anything that would upset the NATO alliance."

She condemned the Premier's amendment as putrid and said Bermudians were not able to assess the Country's role in NATO as it was veiled in secrecy.

She said it was just a political move to allow President Ronald Reagan to tell other heads of state that he had the loyal support of Bermuda.

"We want the US and all other countries to know that in the Progressive Labour Party we believe we ought to be non-aligned. Bermuda should be the Switzerland of the Atlantic."

She said the PLP's attempts to find out what Bermuda's role in NATO was had been met by the standard British Government response of refusing to confirm or deny information about nuclear weapons.



She added that the Secretary of State for the Colonies, Baroness Young, had written saying that the Opposition should be satisfied with this reply as the Premier had been satisfied with it.

"The people can't forget about it. It's time for some action. It's time for an organisation to protest to this Government.

"Bermuda needs people who are committed to make a statement — not people who are just sitting in their seats. We are past the stage where we just bring motions to Parliament.

"It's time for concrete action out in the community, for people to organise, people to demonstrate against what is happening in their Country."

CSO: 3298/752

BERMUDA

## VARIETY OF OTHER ISSUES DIVIDE RULING, OPPOSITION PARTIES

### PLP on Summit Proposal

Hamilton THE ROYAL GAZETTE in English 19 Apr 85 p 6

[Text]

Opposition leader Mrs. Lois Browne Evans has blasted suggestions that Bermuda should host a major summit between leaders of the United States and the Soviet Union.

She condemned the scheme announced by Premier the Hon. John Swan as mere window dressing and said Government should be spending its time tackling local problems.

"John Swan should stop playing games and get down to realities. It's completely a pie in the sky idea," she said.

The plan for superpower talks in Bermuda came after the Premier talked to President Ronald Reagan during a five-day visit to Washington to try to win tax concessions for the Island.

The scheme won only a luke-warm response from White House officials, and a Reagan Administration aide described the Premier's comments as just an expression of hope.

But now the plan for holding top level East-West talks in Bermuda has received a chilly blast from the Progressive Labour Party.

"This would be just a cosmetic thing," said Mrs. Browne Evans. "It would be better for us to get on with

the local problems instead of dabbling in these international matters.

"He should be taking care of the real problems, such as the lack of housing for the people, the undemocratic franchise in the Corporation elections, and so on."

The Premier has stressed the talks would focus international attention on the Island and lead to a spin-off boost to the flagging tourist industry.

The scheme for hosting the talks won credence as Bermuda has been the venue for earlier summits between British and US leaders.

But Mrs. Browne Evans completely dismissed the plans.

"It would draw the world's eyes to Bermuda and that's about it. It won't do us any good from a tourist point of view as we would have secret service people swarming all over the place."

She said even the visit of American Vice-President George Bush had caused chaos, with roads being sealed-off during the rush-hour and traffic being routed onto long diversions.

"It just upset everybody and this was merely because he was going to walk from the Cabinet Office to the Opposition Leader's Office.

"I just don't think it's

possible to provide the kind of security it would require in Bermuda."

She said recent fire-bombings of the homes of Commissioner of Police Mr. Frederick Bean, Finance Minister the Hon. Clarence James and Tourism Director Mr. Andrew Vladimir would also raise security doubts.

She said the new Soviet leader would be more likely to pick a neutral country to

host the talks and would probably have objections to coming to a colony.

In February this year the Premier said that Bermuda would be ruled out as host for the Commonwealth Heads of Government Conference due to be held in October in the Bahamas as the Island was a colony. However Bermuda has hosted the Commonwealth Finance Ministers' Conference.

#### PLP Drive Against Status Grants

Hamilton THE ROYAL GAZETTE in English 19 Apr 85 p 1

[Excerpts]

The Progressive Labour Party yesterday launched a two-pronged campaign to stop the granting of Bermuda Status and to start a new training programme for school leavers.

PLP Leader Mrs. Lois Browne Evans announced details of the campaign yesterday and promised there would be a public meeting to support it within two weeks.

"Redundancies and other economic considerations, she said, had lead the party to renew its drive for an end to the granting of status.

"This will be a renewed and expanded campaign ... which in our view should be coupled with the introduction of a new immigration category of permanent residency, not unlike the green card system in the US."

She said that a moratorium was need-

ed while Bermuda sorted out the question of citizenship in the context of Independence for Bermuda.

To back up this initiative, she announced her party's intention to press for a Bermuda Human Resources Training Programme.

"Up to now a good deal of our economic expansion has left behind or ignored a significant segment of Bermudians while providing job opportunities for a growing number of non-Bermudians. Economic expansion should be geared to the needs of Bermudians themselves and we must ensure that they are afforded the opportunity to equip themselves with the necessary skills."

#### Criticism of Attorney General's Status

Hamilton THE ROYAL GAZETTE in English 20 Apr 85 p 1

[Text]

The Attorney General's post is too important to be filled by a foreigner and granting status to the present incumbent, Mr. Saul Froomkin, could not be considered as real Bermudianisation, the Progressive

Labour Party said yesterday.

In a letter sent to Chief Immigration Officer Mr. Neville Smith — released last night at a public meeting in the St. Paul AME Church Hall — PLP Leader

Mrs. Lois Browne Evans and Party chairman Mr. Alex Scott formally protested Attorney General Mr. Saul Froomkin's status application.

"The position of Attorney General is of such importance and influence that it is in the national interest that every effort should be made to ensure that a Bermudian occupies this position at the earliest possible opportunity," the letter said.

"A significant number of Bermudians have already recently entered the legal pro-

fession, or are in the process of doing so, and such an important position in our judicial system should remain open to those Bermudians who may in the future wish to apply for the position.

"The PLP does not believe it is acceptable or in the national interest for Government to 'Bermudianise' by granting foreigners Bermuda status."

In a separate letter to the Chief Immigration Officer, the two PLP chiefs argued that none of this year's 209 status applications should be granted.

#### Swan on Status Issue

Hamilton THE ROYAL GAZETTE in English 30 Apr 85 p 1

[Excerpt] Premier the Hon. John Swan yesterday hit back at objections to the granting of status lodged by the Opposition Progressive Labour Party (PLP).

The Premier also brushed aside the PLP's objection to Attorney General Mr. Saul Froomkin's application for status.

"There are two issues at stake here," said Mr. Swan.

"The first is the reasonable expectation of citizenship by people who have made Bermuda their home, and who have contributed a great deal to the Island's success.

"To deny these people the hope of citizenship would discourage them from making longterm contributions to the Island.

"This would only have a negative impact on the Island's ability to meet its sophisticated needs.

"The second issue is that Bermuda cannot and does not live in isolation. There are a lot of Bermudians living abroad enjoying the privileges of work, residence, and even citizenship.

"I would hate to think that their opportunities might be denied as a result of action taken by us."

Yesterday the PLP sent two letters to the Department of Immigration calling for a moratorium on the granting of Bermudian status on the grounds that the Island could no longer afford to absorb new citizens.

PLP spokesman Senator David Allen said that 400 foreigners were granted status every 10 years, and "it means 400 jobs are being lost to born Bermudians every decade."

## Tourism Chief's Departure

Hamilton THE ROYAL GAZETTE in English 1 May 85 p 10

[Text]

Shadow Minister of Tourism Mr. Stanley Morton last night accused Government of camouflaging the truth about the departure of the Tourism Director.

"Government is not being honest in its release," Mr. Morton said. "Perhaps they're trying to camouflage a lot of their own errors in the selection of the man."

"I would like to know what they have discovered to bring about the end of a man who a few months ago they were defending as the saviour of the tourism industry."

He was critical of Government's statement which alluded to the recent fire-bombing of Mr. Vladimir's home. He said: "I venture to bet that aspect did not have anything to do with his departure at all. It was just expedient for Government to use it as a propaganda ploy to justify paying him off. Government has not come clean and I will not exonerate them from this mess."

Mr. Morton said the whole problem would have been avoided if the tourism director had been a Bermudian.

"If Government had gone about seeking a Bermudian for this job they would not have found themselves in today's problem."

Mr. Morton said he also wanted to know specifically how much Mr. Vladimir's departure would cost the Bermuda taxpayer.

Senator David Allen, who led the PLP attack on housing perks for senior Government officials, said Government was embarrassed about the fact that Mr. Vladimir's \$2,000 a month housing subsidy was double the normal guidelines.

Senator Allen said he was not surprised by the Tourism Director's departure given the "great deal of criticism from the hotel industry about the new marketing practices" instituted under Tourism Minister the Hon. J. Irving Pearman and Mr. Vladimir.

## Close House Vote for UBP

Hamilton THE ROYAL GAZETTE in English 4 May 85 p 5

[Excerpt]

Government yesterday almost lost a snap vote on technical legislation introduced to ensure that the West End Development Corporation has representation on the Marine Board.

The Bill had caused more than two hours debate before and after the lunch recess. And when it came to a vote, the House chamber was nearly half empty, forcing

the Government side to scurry about and round up sufficient UBP members to carry the legislation.

When the final tally came through, the Government side carried the vote with a margin of just one, with 12 UBP MPs voting in favour, and 11 MPs, both PLP and PLP Members for Change, voting against it.



# Criticism of Swan Address

Hamilton THE ROYAL GAZETTE in English 6 May 85 pp 1, 5

[Text]

Progressive Labour Party officials last night condemned a special state-of-the-nation television show as a blatant breach of broadcasting regulations.

An eleventh hour protest by the Opposition failed to halt the 30-minute broadcast by Premier the Hon. John Swan when their objection was over-ruled by the Broadcasting Commission.

Chairman Dr. Stanley Ratteray ruled that the use of radio newsman Mr. Jordie Trott was not a breach of the rules as he was only acting as a continuity link.

But last night thousands of viewers heard the reporter from Radio VSB describing Government's policies in the programme paid for by the United Bermuda Party.

PLP Public Relations Officer, Senator David Allen said: "There is no way that programme can be construed as being within the regulations.

"We will be consulting with our lawyers, and we want to know whether the Attorney General was party to the decision or whether Dr. Ratteray acted unilaterally."

The PLP complained on Friday that the programme was in breach of Section 12 of the Political Broadcasting Directions, which read: "No employee of an undertaking shall take part in a political debate, panel or forum unless he is a member of the Legislature or a candidate and takes part in the broadcast in that capacity."

But Dr. Ratteray decided that Mr. Jordie Trott's role was covered by the following paragraph, which says: "Provided that an employee may announce a political broadcast and take part in a political debate, panel or forum to introduce it and act impartially as a moderator for the programme."

Sen. Allen said: "It's beyond imagination that anyone could describe Jordie Trott's role in that programme as a moderator. He was a participant in the broadcast."

He said the programme, titled 'A Report from the Premier' had also raised some disturbing questions about the use of civil servants and policemen in political broadcasts.

"Another thing that disturbed us was the use of drug paraphernalia and details of how drugs are used at a prime time on a Sunday evening."

He added: "There were some philosophical points and lots of rhetoric, but very little of real substance. There were no nuts and bolts of what the UBP is going to do."

He said: "A further communication is going to go to the Broadcasting Commission chairman within the next day.

"We want that ruling in writing because we intend to fight it, either in a legal context or by utilising that ruling for ourselves in the future.

"We tried to get the Broadcasting Commissioners to enforce their regulations, but they flouted their own regulations. That's the really appalling aspect of it.

"The UBP makes the regulations and laws and then decides to flout them whenever it chooses."

He said Dr. Ratteray is a former chairman of the UBP and a former UBP candidate in an election.

Sen. Allen said he believed the programme had been broadcast in an attempt to boost the flagging popularity of the Premier, and was a low key start to a campaign geared for an election in the autumn.

BERMUDA

UNION ORGAN OFFERS PROPOSALS FOR 'BETTER BERMUDA'

Hamilton THE WORKERS VOICE in English 19 Apr 85 p 2

[Editorial]

[Text]

The people of Bermuda must become more vocal and participate much more in political and social affairs of our community. Currently, our community is faced with the lack of any positive social and cultural activities.

The absence of locally-produced television is largely responsible for this. The closing of all movie theatres is also a cause of producing idle hands and minds to commit evil.

The Government's inability and lack of knowledge, regarding its administration is an evident factor which causes segments of our population to fire bomb and commit crimes against the innocent.

It is all very well for us to analyze statistics and observe trends, in regard to the decadence which is becoming so prevalent in Bermuda. But we need solutions, and not just the awareness and understanding of our problems.

There seems to be no argument against the fact that our Island is riddled with crime, political divisiveness, racial discrimination and homelessness.

Apparent corruption within our Government is raising its ugly head, for the first time in our long history. Also, our political leaders are showing no initiative or leadership qualities, nor do they appear to command the respect that the citizens once had for them.

At the same time, one cannot refute the fact that Bermuda is still among the leading tourist destinations, and stands head and shoulders above its competitors; nor can it be argued that Bermuda is economically poor. It is one of the top ten richest countries in the world.

The solution to our problems obviously rests with the people. We, the people, must gather the courage to speak out. There is no doubt that the average lay person has more answers and solutions, than do our leaders and other persons in authority.

However, the problem with finding solutions is that no one in authority wants to listen. And now the leaders cannot even be heard — let alone be seen. For example, we hear no stately announcements from our premier or our Opposition Leader. Nor do we have any local television for our children, to see their leaders and thus be able to put a name to the faces. Hence compounding the social and political problems.

We have one local talk show (apart from sports) on Radio VSB. This programme is directed to all Bermudians and provides our young people with an opportunity to learn history from our senior citizens, who have lived it.

The consequences are that we are rapidly becoming a closed and private society. There is no openness in politics. No politician can be challenged by the voters. Bermuda is now like South Africa — "keep the people in the dark and they will not know what to complain about."

Here are some suggested solutions for a better Bermuda:

- \* Issue a licence to those who are interested in providing community radio and television.

- \* Hold a public enquiry into the excessive perks being paid to certain privileged public servants.

- \* Political leaders, come out of the closet and let the voters see and hear what you represent.

- \* Provide open forums, where the citizens can speak their minds.

- \* Provide housing for the poor and let the rich fend for themselves.

- \* Refrain from violence and all speak your minds, through the limited media that we do have.

- \* Members of the public must take a greater interest in the community and become involved in active participation in community projects.

Finally, members of the public, you are advised to get involved and demand changes and solutions, because those in authority have become complacent and satisfied with their own personal success — they seem to have stopped caring about us, the people who put them where they are.

BERMUDA

## PLP DISSIDENTS' SURVEY SHOWS VOTER DISSATISFACTION

Hamilton THE ROYAL GAZETTE in English 23 Apr 85 p 5

[Text]

Voters are unhappy with the present political set-up, a Progressive Labour Party Supporters For Change (PLPSFC) survey shows.

Mr. Calvin Smith, who was expelled from the PLP last year, collated the results of the February survey.

He said voter dissatisfaction was "reflected in two ways: in the high non-response (people often did not know what was going on), and among those who did, there was a strong preference for the PLPSFC."

He concluded that for there to be a revival of voter interest the established parties would have to "revolutionise" themselves (in the PLP's case, change its leadership and take back the men expelled last year) or a third party would have to appear.

The survey was conducted on February 15 and 16 at a time when a snap General Election seemed likely. Volunteers dialled 3,500 numbers to consult 337 eligible voters.

Both the main parties are believed to have conducted their own telephone polls earlier this year but the PLPSFC survey is the first to be published in full.

There are seven main conclusions in the report. The first is that 50 percent of all voters and 72 percent of PLP supporters agree with the stand taken by the PLP Members for Change.

Secondly, at least 56 percent of all Bermuda voters and 78 percent of PLP voters are prepared to vote for a PLPSFC candidate.

Thirdly, at least 60 percent of all voters and 55 percent of PLP voters

disagreed with the expulsion of the six members.

The pollsters encountered more resistance when it came to ascertaining voters' party affiliations. A fifth of those asked, refused to answer this question. Of those who did answer, 32 percent were United Bermuda Party, 25 percent were PLP and seven percent were not affiliated to either.

The survey also suggested that had a snap election been called the PLP could have lost as much as a third of its strength to the PLPSFC and would be hard pressed to retain as much as a third itself.

On the same basis the UBP would lose some votes — to the PLPSFC, the PLP and to general disaffection — but could expect to retain 64 percent of its support.

The telephone poll also attempted to compare the likely performances of the four PLP Members for Change against election opponents.

According to the survey, on a national rather than constituency basis, Mr. Gilbert Darrell would outscore the Hon. Haskins (Hackie) Davis (UBP) by 40 to 21 percent; Mr. Walter Brangman would beat the Hon. J. Irving Pearman (UBP) 34 to 31 percent; Mr. Austin Thomas would beat Mr. Ottiwell Simmons (PLP) by 40 to 21 percent and Mr. Eugene Cox (PLP) would beat Mr. Lionel Simmons by 31 to 26 percent.

In these comparisons voters were not asked how they would vote if they were offered a choice between PLPSFC, PLP and UBP candidates.

The racial breakdown for these comparisons was as follows: Mr. Darrell would beat Mr. Davis by 57 to nine percent among black voters but would lose 18 to 44 percent among whites. Mr. Brangman would get 49 percent of the black vote against 18 percent for Mr. Pearman but Mr. Pearman would get more support from whites (58 to eight).

Mr. Thomas would get 43 percent of black votes against 27 percent for Mr. Ottiwell Simmons and 39 against 12 percent among whites. Mr. Cox would beat Mr. Lionel Simmons 34 to 32 percent among blacks and 30 to 17 among whites.

The report concludes: "The PLPSFC represent a strong potential political force. There is broad appeal across age, sex and income groupings. While the racial support base is strongly black it shows considerable potential for attracting white voters. This last point is of interest because the expressed interest of PLPSFC is to reform the PLP. The budding white interest suggests that some whites are prepared to be associated with a reformed PLP."

CSO: 3298/753

BERMUDA

PLP LEADER MAKES BROAD CHANGES IN SHADOW CABINET

Hamilton THE ROYAL GAZETTE in English 6 May 85 pp 1, 5

[Text] Opposition leader Mrs. Lois Browne Evans last night announced a major shuffle of her Shadow Cabinet as the party prepares for a new campaign against the granting of Bermudian Status.

The Progressive Labour Party leader is to take responsibility for the Labour and Home Affairs portfolio and will personally supervise the campaign.

The new-look Shadow Cabinet has Mr. Frederick Wade standing down as Shadow Minister of Labour and Home Affairs, and becoming Shadow Minister of Education in place of Mr. Ottiwell Simmons.

The President of the Bermuda Industrial Union will now become Assistant Shadow Minister of Labour and Home Affairs.

Sen. Jennifer Smith becomes permanent Shadow Minister of Youth, Sport and Recreation, Community and Cultural Affairs and Dr. Barbara Ball becomes permanent Shadow Minister of Housing and Works.

They both took over responsibilities for the portfolios as acting Shadow Ministers in September last year in the wake of the expulsion of four MPs from the party.

The new front bench line up is announced in the PLP newspaper Party Line, which is published today.

It announces: "Mrs. Browne Evans will now personally take on the Labour and Home Affairs portfolio, in addition to her duties as Opposition Leader.

"The move is seen as underlining the importance that both the Party and the Leader attach to labour and immigration matters, and comes as the PLP is about to launch a series of new initiatives in the areas of Bermudianisation, training and the issue of the granting of Bermudian Status."

Mrs. Browne Evans added her responsibility for defence and foreign affairs was closely linked with the areas of her new portfolio which oversees the Police, fire services and the Bermuda Regiment.



She promised the party would continue its fight for a moratorium on the granting of Bermudian Status, and the creation of a new category of Permanent Residency.

The PLP has already tabled a motion in the Senate calling for the ban on status and it is expected to be debated on Wednesday.

Mrs. Brown Evans said: "Such changes will mean that some non-Bermudians who have made a commitment to the Country, or have a strong connection with it, will not suffer insecurity, yet at the same time we will be able to protect the birthright of Bermudians themselves.

"It's a difficult area because usually one finds that expatriates often misunderstand the articulated party policy, particularly as it relates to the issue of Bermudian Status and Bermudianisation."

Mrs. Browne Evans delayed making a Shadow Cabinet shuffle until the Parliamentary budget debate was completed last month.

New Shadow Education Minister Mr. Frederick

Wade said he was concerned about the growing drug abuse in schools.

"The Archibald Report reveals that drug abuse starts in the primary school, and escalates up through the secondary and tertiary levels, yet there is no Ministry organised, sponsored and enforced drug education programme in each school classroom to date.

"I shall be interested in pushing for such a programme in every classroom for at least 15 minutes every day."

He added: "I am deeply concerned that the schools seem to be failing to produce enough young people with basic educational skills to enter the job market and compete effectively with non-Bermudians.

"I am further concerned with the fact that some teachers seem to have lost control in the classroom. For too many, their major task seems to be baby-sitting."

BERMUDA

DRUGS COMMISSION HEAD URGES PROMPT GOVERNMENT ACTION

Hamilton THE ROYAL GAZETTE in English 25 Apr 85 p 6

[Text]

Bermudian society could disintegrate unless Government acts swiftly to curb the Island's growing drug menace, Royal Commissioner Dr. David Archibald warned yesterday.

The Canadian professor, who recently completed a two-year study of drug and alcohol misuse on the Island, said Bermuda may face serious social problems unless the illicit narcotics trade is brought under control.

"The potential impact of drugs on Bermuda is far greater than in larger countries," he said. "A large country can absorb damage, but the capacity for Bermuda to absorb large scale damage is very limited."

"Crime is inevitably associated with the business of drugs."

Dr. Archibald urged Government to deal with the growing number of frustrated young blacks who have been banned from visiting the United States because of marijuana convictions.

The Royal Commissioner estimates that 15 percent of Bermuda's blacks between the ages of 16 and 44 are currently on the Stop List.

"This is potentially a very volatile situation," said Dr. Archibald. "I hope the problem will be tackled fairly early."

"There are already discussions going on with the

US Consul in Bermuda, but one has to recognise that this is a US Federal law. The local Consul only has limited authority over the matter but he can make recommendations to his government.

"It is an important matter for discussion between US and Bermudian authorities."

Dr. Archibald said drug trafficking was now a major international problem, linked with terrorism and illicit arms trading.

"The whole business of trafficking and the vast sums of money involved inevitably mean all countries are going to feel pressure, including Bermuda," he said. "It is within that context Bermuda has to view the problem."

"Bermuda should not relax and adopt the attitude that trouble can never happen here."

Dr. Archibald said the drugs situation has to be defused before it becomes any more volatile.

The Royal Commissioner said Government must create a central agency to oversee the implementation of his various recommendations.

"Such an agency would have the responsibility to consult and consult rapidly with senior officials in the Ministries of Home Affairs, Social Services and other re-

levant departments," he said. "Together these bodies must establish the priorities for action."

Dr. Archibald said one of the agency's most important tasks would be the establishment of a biennial secondary school survey to monitor drug trends among Bermuda's youth.

"The Royal Commission carried out such a survey in 1983," he said. "The proposed new agency should, very early in its life, start to plan a second study of the school system."

"Such a survey provides a clear picture of the trends of drug use. Over a period of time you find shifts in the kind of drugs being used. I would predict that the use of cocaine is much higher now than when we conducted our survey."

Aside from gauging different drug trends such a survey can also show the success of education and intervention programmes.

"Over time, such a survey becomes a system by which you can measure the effectiveness of counter measures," said Dr. Archibald. "I think this is terribly important because many countries establish programmes without any capacity to measure the outcomes."

Education is one of the most important weapons in the battle against drug abuse among youth, Dr. Archibald said.

"A national strategy must be worked out by the Education Department and information resources like films and other material must be available to all secondary schools," he said. "This cannot be done in a piecemeal fashion by individual schools."

Dr. Archibald said there is no single panacea to Bermuda's drug problem.

"When drugs of dependence become embedded in a population, reversal is a long term project," he said. "No single programme is going to reverse the trend and this is not the type of problem that can be solved in a short time."

"But I am more optimistic about Bermuda bringing the problem under control than many other countries."

Bermuda's drug trade is largely financed by a group of businessmen who lend importers money with the promise of large and quick returns.

If these back-room financiers could be tracked down, the flood of drug imports would almost immediately dry up.

"I strongly recommend that the Police give a very high priority to gathering intelligence so the main drug importers and financiers can be brought to court and successfully prosecuted," said Dr. Archibald. "It must be given a very high priority within the Police service."

"In many countries Policemen are used to infiltrate these groups, but obviously in Bermuda someone would have to be brought in from outside."

Dr. Archibald returns to Canada this weekend and considers his work here completed.

"If Bermuda feels I can contribute further, I'd be pleased to consider it," he said. "But I do stress it will only be if I feel I can be of real help because the responsibility for resolving this problem is really in the hands of Bermudians."

BERMUDA

FOREIGN TROOPS NO LONGER NEEDED FOR INTERNAL TROUBLES

Hamilton THE ROYAL GAZETTE in English 29 Apr 85 p 1

[Article by Penny Bassett]

[Text]

CAMP LEJEUNE, N.C. — The days of calling in foreign troops to help Bermuda in times of trouble are gone because of the new-look Bermuda Regiment, according to Police Commissioner Frederick Bean.

"The Regiment is not a mickey-mouse operation. It is a real operation and the sooner people see that the better. The people who believe that myth are fooling themselves," he said.

Earlier last week Commissioner Bean visited North Carolina where the Bermuda Regiment was undergoing training exercises here.

During his stay he said the expensive training the Regiment was receiving would help the soldiers when they had to work alongside the police.

He said this in turn would enable the Island to deal with internal problems themselves without having to call for outside help.

Commissioner Bean said a review of Bermuda's security forces was carried out by a Washington agency after the 1977 riots.

He said the agency concluded that the Island's forces were incapable of lasting for more than 48-72 hours in times of trouble.

He added that the Regiment's 10-day exercise in the field proved that they were now capable of going beyond that limit.

"It would be true to say that the time limit necessitated the need to call for added forces from overseas.

"But an exercise of this nature rectifies that deficiency, and it is up to the Regiment and Police, having been through this

type of exercise to ensure that the requirements are fulfilled," he said.

"I think we have the capabilities for dealing with any situation in Bermuda ourselves," he said.

Commissioner Bean said the soldiers underwent good training in North Carolina because they were unfamiliar with the territory which forced them to use their resources to the fullest.

He added that the soldiers also benefited from working alongside members of the Royal Anglian Regiment who were professional soldiers.

"This type of training has got to be beneficial to Bermuda. In the past Bermuda required the assistance of external help.

"Now in the event of threats where the police are having to be tasked there is a role for the Regiment to play alongside of the Police in any internal security role," he said.

"I'm happy to see for myself various aspects of training involved in this camp."

He said by observing the Regiment's performances at Camp Lejeune he could see that the Police and the Regiment were closer together in identity task roles.

In times of trouble the role of the Regiment turned to protecting key points around the Island, providing security at the residence of VIPs and roving patrols and managing road blocks, he said.

BERMUDA

OFFICIAL FIRED BY MINISTER FOLLOWING LEAK TO PRESS

Hamilton THE ROYAL GAZETTE in English 7 May 85 p 1

[Excerpt]

Lawyer Mr. Trevor Moniz was yesterday sacked from two top recreation posts after he leaked inter-Ministry squabbles to the Press.

Mr. Moniz was fired as chairman of the Youth Advisory Council and from the Recreation Task Force by Minister of Youth, Sport and Recreation the Hon. Maxwell Burgess.

Last night Mr. Burgess confirmed he had axed Mr. Moniz because he gave a Youth Advisory Council report, which would form the basis of a Government White Paper, to *The Royal Gazette*.

"The misfortune was that Mr. Moniz gave a copy of the report to the Press and I hadn't had a chance to read

it. No Government can operate like that," said Mr. Burgess.

"It was a breach of confidence. You can't place confidence and have it eroded," he said.

The report said Government's youth services were failing because there was no communication or cooperation between the Ministry of Youth, Sport and Recreation and the Ministry of Education.

It highlighted other problems within the Ministry of Youth, Sport and Recreation — the number of changes of Ministers within the past years, and Government's apparent lack of concern for the Ministry.

CSO: 3298/754

BERMUDA

BROAD SPENDING DISCIPLINE NEEDED TO AVOID RECESSION

Hamilton THE ROYAL GAZETTE in English 18 Apr 85 p 13

[Text]

Banks, businesses and unions must be more disciplined if the Island is not to price itself out of world markets, Bermuda Monetary Authority chairman the Hon. Sir David Gibbons said yesterday.

"At present, we in Bermuda are spending more than we earn and financing the deficit by drawing on our reserves," Sir David told a lunchtime meeting of the Bermuda Insurance Institute at the Hamilton Princess Hotel.

"This is happening because wages and salaries have not responded to the downturn in our economy but have kept on growing in real terms."

Sir David said imports and consumption had grown, hitting Bermuda's international competitiveness.

Market forces would normally correct the imbalances by squeezing company profits.

"Their natural reaction should be to lay off staff, cut back on expenditure and, in some cases, fold up altogether."

"That this has not occurred yet to any great extent is largely due to the rapid growth of the money supply, in particular the action of the banks in extending credit to finance inventories, working capital and so on."

Sir David told the meeting the banks could not finance domestic spending at that level for ever. A shortage of cash would result sooner or later and, with it, a local recession.

Wage increases had to be brought back into line with the economy's growth rate. In 1985 that meant about the same as the inflation rate, about five percent.

Sir David, former Premier and Finance Minister, recalled the recent path of the Bermuda economy and traced where he thought recent problems had started.

The money supply — basically Bermuda dollar bank deposits and notes and coins in circulation — had grown completely out of proportion with other economic indicators

in order to accommodate increased domestic spending at a time when foreign exchange earnings were falling.

Money supply had grown between 1980 and 1984 from about \$300 million to \$565 million, an increase of 87 percent, compared with growth in nominal GDP of 40 percent.

"I would suggest that, had a little more attention been paid to the growth of the money supply in recent years, we should have been alerted much sooner to the economic problems we now face," he said.

The national strike in 1981 had badly hit the economy, which had been kept buoyant by the banks. Last year again saw declining tourist numbers, with the banks maintaining local liquidity.

The balance of payments had deteriorated by nearly \$50 million to record the first deficit since the dollar was linked to the US greenback in 1972. But, whereas 1981 had been a one-off, last year's problems might well continue.

"Unless a determined community effort is made, we might well see a further decline in our economy this year and a further decline in the balance of payments," Sir David said.

The banks could not be expected to bale out the economy for ever at the expense of the balance of payments and Bermuda's foreign exchange reserves.

The reserves were a national resource and were essential to the Island's reputation for financial integrity.

"Any attempt to use them to finance consumption would lead us down the path that has been well-trodden by many of the Latin American countries, the path that leads to more and more overseas borrowing, devaluation and hyper-inflation," Sir David said.

■ BII president Mr. Bert Hunt echoed Sir David's comments.

"We're pricing ourselves out of the mar-



ket. The world doesn't owe us a living and the quicker we appreciate that, the better," he said.

Mr. Hunt said he was not defeatist about Bermuda's economy or the insurance industry.

"But we really must do something about collecting premiums. No other industry in the world allows 12-months credit. When are we going to get our act together?" he asked.

CSO: 3298/754

BRAZIL

GENETIC ENGINEERING: BRAZILIAN EXPERIMENTS, ACHIEVEMENTS

Rio de Janeiro MANCHETE in Portuguese 30 Mar 85 pp 82-86

[Article by Durval Ferreira]

[Text] In this century of high-tech marvels, which technological advance is the most amazing? Despite the complexities of data processing and the space sciences, which have made trips to outer space commonplace, few people doubt that the most amazing activity is to be found in the field of biotechnology--that is, the application of genetic engineering techniques. It is the world of self-fertilizing plants, clones, viruses in the service of man, new beings, and sturdy and rapidly growing herbs. It means fungi replacing pesticides, human growth hormones, new pharmacological agents, revolutionary methods of treating cancer and diabetes, and an infinite number of other discoveries. Brazil has entered that world and can already show marvels reflecting the opening up of a new profession with broad prospects: that of the biotechnologies.

The great impact in this field occurred when American scientists Stanley Cohen and Herbert Boyer achieved the first successful gene manipulation. The two men succeeded in inserting into a bacterial plasmid--the small ring of DNA that bacteria have attached to their only chromosome--a gene taken from another molecular organism. For that operation, they used restriction enzymes, a kind of "chemical bistoury" that sections the DNA at the selected points. And once inserted into that microorganism, the cloned gene began to multiply astoundingly. At that instant, in fact, the two scientists were bringing to pass what had been predicted by three colleagues as a result of their earlier discoveries: Paul Berg with his basic studies with recombinant DNA and Walter Gilbert and Frederick Sanger with their discoveries of the restriction enzyme--which earned the trio the Nobel Prize in 1980.

From then on, research began to move quickly. Impressive discoveries followed each other so fast that they could scarcely be fully assimilated by science. Researchers succeeded in producing the human hormone somatostatin and human insulin. This was followed by the sequencing of genes--that is, they managed to decipher the order of the nucleotides of which a gene is composed. They also came up with the rat growth hormone, producing giant rodents--as in Cambridge, England--and a few exotic combinations of various animal and plant species.

The objectives were always the same: to transfer identified genetic material from one cell to another and ascertain the differences produced by the genes after the exchange. This made it possible to exchange genetic material even between a donor and host of different species--as, for example, between a rabbit and a rat, corn and beans, and so on. Although the results were not always those expected, researchers did learn how DNA performs its functions vital to life, and not only through reproduction but also--chiefly--through the establishment of instructions whose codes are strictly reproduced when multiplying the billions and billions of cells constituting a higher organism, whether animal or plant.

With the magic of life having been discovered, it was not long before genetic engineering was being sought out by nonprofessionals interested in investing risk capital to turn research laboratories into solid commercial enterprises. Over 100 of those specialized firms exist in the United States alone. Their shares are in great demand on the stock market, and they are beginning to put a number of genetic miracles on the market.

As this picture of biotechnology, enhanced by the strong features provided by private enterprise, takes shape, it becomes easier to assess the prospects being created for the biotechnologist. Those prospects have a multiplier effect resembling that of cloning and one that extends to other professionals at the second, third, and other echelons to include assistants, specialists, and technicians in various activities related to biotechnology.

At the first explosion of genetic engineering and of the biotechnology that followed it, Brazilian biologists lost no time entering the race. They have done so modestly and without flaunting big pretensions, but they have also come surprisingly far in mastering genetic technology, considering the difficulties facing any team in a developing country. The examples are numerous, and a few are considered significant by the Brazilian Genetic Society.

One example is that of Otavio Henrique Pavan of the Genetics Department of UNICAMP [Campinas State University] in Campinas, Sao Paulo. Pavan works with the same vector insect whose virus is being used by American researcher Max Summers to produce beta interferon, which is a drug capable of blocking the uncontrolled proliferation of cancer cells in human beings. But the Brazilian's research is oriented in a different direction. The virus of that group--that is, of the same vector insect--will be multiplied on an industrial scale to combat the sugarcane borer and--using other kinds of viruses from the same insect--the cotton and soybean caterpillars, which do considerable damage to crops.

The factory for the virus, designed by Otavio Pavan, is already being set up in Sao Paulo with help from UNICAMP, the IAA [Sugar and Alcohol Institute], PLANALSUGAR, the Ministry of Industry and Commerce, and the CNPq [National Council for Scientific and Technological Development]. It will produce the polyvalent virus "autographa" in sufficient quantities to take care of 2 million hectares of infected cropland. When scattered through crops being

attacked by the pest, that virus infects the larva's organism, making it so sluggish that it dies of starvation. Soybean crops will be the first target because of their importance in Brazilian exports. The virus produced by Pavan is of the highest quality and is produced without yeast, as is true in the process used by Professor Summers to produce beta interferon.

That being the case, the Brazilian's team will also be able to direct its research toward the production of interferon in Brazil. Other researchers at the USP [Sao Paulo University] are already working on the virus' DNA and preparing, along with Pavan's team, to develop the technology for beta interferon. From what Otavio Pavan tells us, at least half of the road to that anticancer drug has already been covered.

The Luiz de Queiroz Advanced Agricultural School, located some 50 kilometers from UNICAMP, is another major genetic research center in Brazil. In its Department of Microbiology, Prof Joao Lucio Azevedo, currently chairman of the Brazilian Genetic Society, provides another example of the use of genetic engineering in agriculture: everything is ready for setting up another factory--this one for fungi that will combat the pest known as the cane or pasture hopper, which lives in the soil almost everywhere in Brazil. Prof Joao Lucio Azevedo is currently trying to make genetic improvements in the fungi which attack that insect. By means of electrophoresis, he and his team are doing what is called the "fingerprinting" of the various types of *Metarhizium* fungus, which differ from each other depending on the region. The various types are then crossed, and genetic techniques are used to select the best after repeated tests of their effectiveness against the hopper. The most suitable are then replicated, and after each batch is harvested, it is dried and packed for distribution to the rural areas, where the fungi can attack the pest.

Lygia Vitoria Galli of Parana, who is doing postgraduate work at the Luiz de Queiroz Advanced Agricultural School, is working on a project developed by Prof Natal Velo. That project is aimed at improving soybean production through a program for the selection of efficient genotypes for symbiosis of the plant's radicular (root) system based on the *Rhizobium japonica* bacterium. Through symbiosis, the plant supplies sucrose to the bacteria, which in turn supply nitrogen to the plant, thus replacing chemical fertilizers. This was achieved at an early stage, and Lygia has now progressed to looking for even more efficient genotypes for the recombination of *Rhizobium* strains that will improve the symbiosis.

In the school's Genetics Department, Dr. Ciro Costa is producing a number of marvels for agriculture, one example being "disciplined" squashes that are the result of much crossing-over in his project for the interspecific hybridization of *Cucurbita* (squashes). In addition to better and more healthy fruit, he is achieving large production, but in seedbeds that line up perfectly and produce plants shaped like shrubs, unlike the chaotic fields where long roots spread all over the ground and intertwine with each other. The seedbeds of shrubs not only permit mechanization for large-scale production, but also allow workers to move more freely.

In the Section for Biological Control of Fungi and Plants, Dr Itamar Soares de Melo also uses a fungus--*Trichoderma ligninorum*--as a powerful antagonist of the pathogenic fungi that proliferate around the roots of plants and destroy them. *Trichoderma*, which acts through the enzyme cellulase, takes the place of fungicides and restores the biological balance of nature.

Another noteworthy program, this one aimed at ensuring an abundance of food, is being carried out at UNICAMP's Plant Genetics Laboratory by the teams of Professors William Jose da Silva, Paulo Arruda, and Laudenor Mario Prioli. Their research ranges from conventional techniques to genetic engineering and includes the culturing of plant tissues to obtain genetic variants that are more desirable from the standpoint of nutritional quality and protein content. One such research program is concerned with "nutrimaize," a species of corn containing as much protein as casein from milk, the most nutritious food known, and a new cereal known as adlay, which is a wheat substitute containing 22-percent protein (the protein content of wheat does not exceed 10 percent). Other advantages of adlay are that it is resistant to most agricultural diseases and insensitive to acid soils like those in Brazil. It also produces about 4,000 kilograms per hectare, whereas wheat produces 600 kilograms at best even in temperate regions. But the team's really fantastic work seems to be that concerned with the crossing of seeds of teosinte grass--the Mexican ancestor of corn, which was brought to Brazil by Prof William Jose da Silva--with Brazilian varieties. The result is leading to the possibility of as much as a tenfold increase in current production using a species that is richer in nutrition.

Anticipating the future, the business sector associated with genetics already has a historic pioneer: Ademar Heitor Manarini, who was the first to produce cloned orchids by genetic engineering. At his firm--EQUILAB in Campinas--he makes it possible for an orchid as rare and valuable as the *Catleya walkerana*, which would otherwise cost some 500,000 cruzeiros, to be sold for a tenth of that price thanks to its multiplication by cloning. Also thanks to genetic engineering, he is able in his factory-laboratory to recover species that have almost been made extinct by attacks by viruses or other pests. He does this by cloning them industrially and immunizing them against viral diseases.

EQUILAB currently supplies the world with orchids through its international representatives. In the occupational field, Ademar Manarini has also proven that training human resources for the world of genetic engineering is possible even among the humblest social classes. One example is Sebastiana, who works at his other firm, EQUIPESCA, which manufactures fishnets. Sebastiana, who had had no vocational training, was taken away from the childish job of gluing together the two halves of the plastic floats used to hold up the nets and assigned to do university-level precision work, which she performs with unequalled efficiency. She currently goes to school in the evenings and spends her days cloning plant life.



CHILE

BILL CREATING MINISTRY OF SEA SIGNED BY PINOCHET

Santiago EL MERCURIO in Spanish 22 May 85 pp A-1, C-8

[Article by Jaime Ercilla, special correspondent]

[Excerpts] Yesterday the president of the republic, Gen Augusto Pinochet, signed the bill here to create the Ministry of Maritime, River and Lake Interests and Resources. It will be responsible for policies related to this sector of national activity.

He arranged that the document be widely publicized so that those who so desire can formulate the scopes and evaluations they consider appropriate within the next 3 months.

He also signed the decree law that transfers the Undersecretariat of Fishing from the Ministry of Economy in Santiago to this port. This will be finalized on 1 July 1985.

Bill

The bill that creates the Ministry of Maritime, River and Lake Interests and Resources first establishes that this ministry will be based in the city of Valparaiso.

It indicates that this state secretariat will have the objective of advising the president of the republic about the government and top-level administration of aquatic resources. Its activities will be aimed at the exploitation, promotion, protection, conservation and development of the hydrobiological wealth and the aquatic environment of the country.

Its field of action will be the direct activities of production, research, professional training and services related to the exploitation and conservation of hydrobiological resources such as fish, algae, mammals or crustaceans and other renewable maritime, river and lake natural resources or those from any other natural or artificial source.

It adds that the new ministry will have the following functions: to promote the development of maritime awareness; to propose a policy to the president of the republic that will direct activities for the rational use of existing



renewable natural resources in the aquatic environment and legal norms and regulations necessary for protection and efficient sectorial operations; and to diagnose the reality of those areas in order to draw up sectorial development plans in accord with national policies.

Other functions include: to distribute the resources assigned to the ministry based on the priorities established in the national and sectorial programs; to direct, supervise and orient the activities that the executing institutions, under or connected to the government, must carry out; to coordinate the work of the public and private institutions that act in these areas; and to dictate the laws that regulate this sector and supervise compliance with them.

Other missions will be to collaborate on the studies on the Law of the Sea and maritime jurisdiction and the elaboration of international agreements that the Chilean Government signs. It will also represent it in matters related to aquatic resources without affecting the functions of the Ministry of Foreign Relations. It will participate in planning the fishing infrastructure.

It will also promote the development of scientific and technological research to support the activities of this sector; promote the study, development and reproduction of aquatic species; maintain the ecological balance of the aquatic environment; and adopt the necessary measures to preserve the coast, the aquatic environment and its renewable natural resources from pollution.

It must also grant permission for fishing and hunting marine game and the installation, expansion or transfer of fish industries or cultivation establishments; authorize activities for algae extraction and reproduction; orient the activities of the industrial sector toward efficient exploitation of aquatic resources; encourage self-employed fishermen; and promote and coordinate the professional training of human resources in this sector.

It will regulate sports or recreational fishing and underwater hunting in coordination with the Ministry of Defense and will carry out the other duties in the fishing sector that the laws assign to the Ministry of Economy.

The Ministry of Maritime, River and Lake Interests and Resources will have the following organization: a) the minister and his cabinet; b) the undersecretariat; c) the Office for Planning and Budgets; and d) the Regional Ministerial Secretariats.

The bill adds that, as a direct and close collaborator of the president of the republic, the minister of maritime, river and lake interests and resources will:

- a) Be top leader of the ministry and direct state activities in this sector;
- b) Propose to the president of the republic the sectorial policy and the adoption of measures leading to its application, supervision and evaluation.
- c) Dictate the resolutions, instructions and other technical and operational norms that he considers necessary for the continued efficient development of the activities that correspond to the ministry; and

d) Carry out intersectorial coordination.

#### Decentralization

The new ministry will be decentralized with regional ministerial secretariats that will function in each one of the country's administrative regions. Among other duties, they will propose initiatives to improve, adapt or modify the policies, plans, programs and existing legislation applicable to the region; study and report on the aquatic resources of the region; sign agreements, acts and contracts within their jurisdiction; and supervise the regional offices of the services that make up the ministry.

Legal and administrative support of the ministry will be provided by the Legal Consulting Office and the Administrative Department, respectively. These units will report to the undersecretariat. The other units and the organization of the undersecretariat will be determined by the organic regulation.

The National Fishing Service will report to the undersecretariat and will be based in the city of Valparaiso. The position of under secretary of fishing, now under the Ministry of Economy, will be eliminated. It will be absorbed by the new ministry.

7717

CSO: 3348/733

CHILE

# NEW LAWYERS' GROUP REJECTS TAKING POLITICAL STAND

Santiago LA NACION in Spanish 31 May 85 p 9

[Excerpt] The new movement for legal professionals "does not seek to create divisions but to unite the union and work based on the principles that should characterize a bar association. This could not become concrete in the other group in recent years since it regrettably became politicized."

This was stated by Juan Carlos Esguep, president of the Colegio de Abogados A.G. established recently. He held a press conference yesterday in his law office to announce the statement of principles of the new union movement. The vice president, Maria Cristina Hibb, and the secretary general, Maria Teresa Ruiz, were also present.

Esguep revealed that the new group has not been created to divide anyone. "We want to unite the bar association. Therefore, we are absolutely free of any prejudice. We only want unity for lawyers and professionals since what most concerns us are our members, especially those who are unemployed and those who cannot finish their studies."

## Respect for Opinions

Esguep indicated that the new association will not fall into partisan politics. "This has not been created to serve anyone except lawyers. It is not to be used as a political weapon for or against anyone."

Esguep said: "Rather, it will protect the profession and support our members without any type of political, social or religious discrimination. The association has been created for lawyers, regardless of their philosophy. We have already accepted many legal professionals as members."

He also indicated that the creation of the new movement does not represent the winners or the losers in the last election held in the other association. "I am not a winner or loser. I am grateful to Raul Rettig, the president of that association, who has recognized that we have created something new. I believe that it is not necessary to talk much about these matters but to act so that the lawyers really have adequate protection to exercise their profession and to complete their studies."

7717

CSO: 3348/733

CHILE

BRIEFS

LITHIUM PRODUCTION PROCESS SOUGHT--The head of the School of Physical Sciences and Mathematics of the Universidad de Chile and academician, Dr Gustavo Lagos, is developing a project for the production of metallic lithium based on lithium carbonate. The objective is to achieve an industrialization system for this product in the country. The work has the support of the university itself and other state organizations. The objective of the first phase is to define a method through which metallic lithium can be produced in an experimental small-scale cell. This will permit the future design of an industrial plant. According to professor Lagos, the research is being developed based on the specific characteristics of the lithium carbonate from Salar de Atacama, an area that contains about 45 percent of the world reserves of this metal. He explained that the market for metallic lithium is relatively small now in comparison to lithium carbonate. According to international estimates, metallic lithium makes up only about 4 to 5 percent of the total market for this product. Nevertheless, due to its uses in aviation and other branches of industrial production, this percentage should increase notably in the near future. [Excerpts] [Santiago EL MERCURIO in Spanish 27 May 85 p C-5] 7717

EASTER ISLANDERS SUPPORT PROPOSAL--The U.S. NASA [National Aeronautics and Space Administration] project to expand the runway at the Mataverí Airport on Easter Island in order to adapt it for the space shuttle was favorably received by the authorities and inhabitants of that Chilean island possession. This newspaper confirmed this yesterday by telephone with some officials and residents of Easter Island. As has been reported, the NASA initiative has the support of the Chilean Armed Forces. The president of the republic, Gen Augusto Pinochet, must give final approval once he learns all the details of a study that a cabinet committee is carrying out. The mayor of Easter Island, Samuel Cardinali, indicated that he does not yet have any official information on this. He stated: "I have only learned about it from the information in EL MERCURIO in recent days." However, speaking personally, he said: "If the initiative is finalized, I think it would bring progress to the island in general. Remodeling the Mataverí Airport would mean development for the community." Cardinali added that the island's inhabitants, about 2,000 people, are enthusiastic about the idea of expansion. [Excerpt] [Santiago EL MERCURIO in Spanish 23 May 85 p C-1] 7717

CSO: 3348/733

DOMINICA

OPPOSITION LABOUR PARTY DISMISSES COMMUNIST LABEL

Port-of-Spain EXPRESS in English 31 May 85 p 19

[Text]

ROSEAU, (CANA) —The leader of the main Opposition Labour Party of Dominica (LPD) has dismissed as irrelevant the ruling Freedom Party's (DFP) references to his party as communist and said the DFP must be prepared to discuss burning issues confronting the country in the run up to general elections.

LPD leader Michael Douglas made his comments at a rally organised by the youth arm of the party at Marigot 40 miles north of here.

"When they come to you and talk about their cock and bull story about communism.... we say no way. (Prime Minister) Eugenia Charles must be made to debate the issues in this election," Douglas told supporters.

According to the LPD leader his party wants the ruling party to discuss issues such as the mysterious death of a number of young people at the hands of police, as well as the state of the vital banana industry, and provision of medical facilities.

The DFP election campaign has been highlighted by persistent charges that the LPD is communist and that it has received funding from communist nations, allegations which the opposition has rejected.

Douglas said that the reunification of the Labour Party earlier this year had ensured that Dominican voters had been given the opportunity of electing an alternative government and called on Charles to "call the elections whenever she gathers enough guts and sufficient courage..."

Elections must be held by the end of October.

CSO: 3298/746

DOMINICA

# CHARLES, DOUGLAS DEBATE AS CAMPAIGNING QUICKENS

FL262134 Bridgetown CANA in English 1845 GMT 24 May 85

[By Peter Richards]

[Excerpts] Roseau, May 24--Prime Minister Eugenia Charles faced off against arch political rival Michael Douglas in an hour-long radio debate here last night as the tempo quickened in the run-up to general elections. The issues were mostly domestic--the handling of the economy, conduct of the police force, the ideological persuasions of the figures involved, and the state of the all-important banana industry. But at the end of it all, most Dominicans seemed somewhat bewildered as to exactly who, if either of the two, won the debate.

If the precise outcome is a bit blurred, the sharp exchanges between Douglas and Charles left no doubt that the fiercely competitive nature of the campaign being waged thus far is not going to lessen any.

Charles defended her government's handling of the economy, citing figures to show inflation down to less than three percent from 30 percent in the five years of DFP rule. She said unemployment had fallen to 13 percent from 21 percent in 1980.

But Douglas disputed her figures on the level of joblessness in the country declaring that if agriculture is taken as the largest employer in Dominica, then there has been a significant downturn.

He cited planned layoffs in the banana industry, revealed by a trade union here, and later confirmed by the industry officials, to underscore his point.

Douglas also raised the question of the conduct of the police force here in responding to Charles' allegations that he is a communist. He pointed to the death of a young man while in police custody, and the shooting to death of another, allegedly by a police officer, for neither of which anyone has been charged; ...that's a communist state, declared Douglas.

Charles insisted that the matter relating to the death of the youth at the Roseau police headquarters has now been referred to the appropriate authorities.

CSO: 3298/732



GRENADA

DRUG TRAFFICKING USING VESSELS FROM CARRIACOU ALLEGED

St Georges THE GRENADIAN VOICE in English 4 May 85 p 4

[Letter to the editor]

[Text]

The Editor:

At one time, wooden vessels out of Carriacou used to serve predominantly as a shuttle service for both passengers and mail. These artistically hand-made schooners are today used for an amalgam of things. They are now used for transporting animals from Carriacou which are transferred to boats leaving for Trinidad

primarily on Traffickers' business and GOD knows what else.

It is very interesting to know what form of security is provided for the Trade between Grenada and Carriacou. As an observer, I can notice none at all since I have seen with my own two eyes quite a bit of irregularities being carried out between the hours

on 10.00 p.m. and dawn.

Some of these vessels, I know for a fact are owned by "AMERICANS" who trade in drugs. It is therefore imperative for our SSU to step up their security; and vigilance as we will like to see an end to that heavy COCAINE TRADE on the Carenage.

Celia Gooding  
From on the Hill

CSO: 3298/734

GRENADE

## SECOND PROBE OF OFFICIALS FOR TAKING FOREIGN FUNDS

FL262257 Bridgetown CANA in English 1554 GMT 26 May 85

[Text] St. Georges, May 26--A second investigation is to be launched in Grenada into the conduct of two senior government legal officers reported to have received more than 10,000 U.S. dollars for representing the United States in an extradition case.

A statement issued by Communications and Works Minister Dr. Keith Mitchell said that all elected members of the ruling New National Party (NNP) government had decided to mandate the cabinet to carry out a full investigation.

The first probe was conducted by Acting Prime Minister and Minister of Legal Affairs Ben Jones. It cleared the two--Attorney-General Carlyle Payne and Legal Advisor Edwin Heyliger--of any wrong-doing in accepting the money.

Payne and Heyliger successfully [represented] the U.S. in the extradition case against Chester Humphrey, wanted in the U.S. on gun-running charges.

The NNP officials summoned an emergency meeting last Friday with Jones after he had said in a radio interview that the two officials had breached no law or done anything wrong for him to take punitive action against them.

After the meeting the government issued the following release: The parliamentarians noted a statement earlier today by the Honourable Minister of Legal Affairs Mr Ben Jones regarding two senior legal officers of the Department of Legal Affairs. They heard from the honourable minister that he was dealing solely with the legal aspects of the matter involved.

They resolved that all aspects including the moral, political and ethical portions of the issue should be investigated by the cabinet and decisions taken regarding those two officers.

CSO: 3298/733

GRENADA

PAPERS CALL FOR REMOVAL OF OFFICIALS UNDER INVESTIGATION

Port-of-Spain EXPRESS in English 31 May 85 p 20

[Text]

ST GEORGE'S, (CANA) — Two Grenadian newspapers, *Grenadian Voice* and *Indies Times*, have called for the removal of two senior officers in the government's legal department who accepted over \$10,000 U.S. in payments from the United States government in connection with an extradition case against a Grenadian citizen.

Acting Prime Minister Ben Jones said the findings of a probe he had made were that the men — Attorney General Carlyle Payne and legal adviser Edwin Heyliger — had done nothing illegal by accepting the money for their services in the case against trade unionist Chester Humphrey, wanted by American authorities on gun-running charges.

The *Grenadian Voice*, an independent weekly, warned the government it would be unwise to give the impression that "unethical behaviour" is being permitted because it would then be reasonable to assume that what the authorities tolerate they will perpetrate.

*Indies Times*, published by the leftist Maurice Bishop Patriotic Movement (MBPM), in addition to demanding the resignation of the two officers, called on Jones to state if he had knowledge of the payments before the news broke.

*Grenadian Voice* said the actions of Payne and Heyliger had brought the whole legal profession into disrepute. "We just have to let them go and government cannot afford to shirk its responsibility in this matter," it said.

Elected members of the ruling New National Party (NNP) have announced their own probe into the affair.

CSO: 3298/747

GRENADA

AGRICULTURE MINISTER CALLS FOR FARMERS UNION PROBE

FL262310 Bridgetown CANA in English 1856 GMT 26 May 85

[Text] St Georges, May 26--Grenada's Agriculture Minister George Brizan has called for an investigation of alleged misuse of Productive Farmers Union (PFU) funds by senior union members.

Brizan also urged the union to resist what he called efforts by unnamed political figures to infiltrate it for political [purposes]. The Grenada minister made the comments on state-owned Radio Grenada last night, following claims by the leftist Maurice Bishop Patriotic Movement (MBPM) that massive corruption had been discovered in the union.

The MBPM in its newspaper THE INDIES TIMES claimed that a top official of the union had been paying himself 1,000 dollars (one EC dollar, 37 cents U.S.) monthly from union funds for over a year without the permission of the PFU executive, and that union funds had been used to repair the vehicle of an executive member.

Brizan called on the PFU to appoint an impartial three-man committee to investigate the claims.

The minister noted charges made by some executive union members that there was a conspiracy by a few members to use unconstitutional means to gain a foothold in the PFU for political elements outside. He said such things could not be tolerated.

He said the position of the five-month-old Grenada Government was that farmers' organisations should always be controlled by farmers and that no one should attempt to use these bodies to foster and promote their own political ends.

CSO: 3298/733

AUTHORITIES SEIZE PASSPORT OF MBPM OFFICER LOUISON

FL241852 Bridgetown CANA in English 1910 GMT 23 May 85

[Text] St Georges, May 23--A Soviet-trained top military officer in Grenada's ousted Marxist government has had his passport seized by the authorities for security reasons, according to Commissioner of Police Russell Toppin.

Einstein Louison, who was chief of staff of the disbanded Peoples' Revolutionary Army (PRA), reported the confiscation of the passport as he was about to leave for East Germany yesterday.

Louison, who held the rank of major in the PRA, said it was the first time he was prevented from leaving Grenada since the October 1983 invasion by U.S. and Caribbean forces to end Marxist rule here after hardliners in the government had staged a bloody coup.

Louison, brother of George Louison, agriculture minister in the deposed Peoples' Revolutionary Government (PRG), said he had since travelled to Cuba to see his Cuban-born wife, Barbados and Guyana and there were no complications.

The ticket I had to travel yesterday said very clearly that I was going to the German Democratic Republic (East Germany). There was no secrecy about it, and every time I have been to Cuba I told them because my wife is in that country and she is not allowed to come to Grenada, he said.

Louison's wife was among a batch of Cubans ordered out of Grenada following the invasion. Under the PRG, Grenada was Cuba's closest ally in the English-speaking Caribbean.

The leftwing Maurice Bishop Patriotic Movement (MBPM) Party, of which Louison is an executive member, denounced the passport seizure as illegal and unconstitutional. A party statement said the move was an example of creeping state terrorism and denial of human rights.

CSO: 3298/733

GRENADA

REPORT ON LEADER SPEECHES AT LABOR DAY RALLY

St Georges THE GRENADIAN VOICE in English 4 May 85 p 1

[Text]

HUNDREDS of workers from seven Trade Unions came together at Grenville (La Bay) for the first time to celebrate the traditional Labour Day. The day's activities began with a militant march in which the Grenada Police Band, kept up the tempo, from Forde's Junction through the town of Grenville and on to Victoria Park. Workers sang songs, and slogans as they proceeded.

At the Park the gathering was called to worship by ecumenical committee Chairman Mr. Jerome Mc Barnette. Opening prayers was said by Mr. R.M. Bhola. Father Francis of the Roman Catholic

Church in his discourse exhorted the worker, that they should not only work with their bodies, but with their minds, working as serving God. For He is the great rewarder.

President of the Trade Union Congress TUC, Mr. Basil Harford, in his opening remarks said today is our day - Workers day. We are not to just say we are strong but today we must talk inwardly in ourselves to prove our strength.

In his labour day message, said Mr. Harford, workers must produce, but equally as they produce they must be reasonably rewarded. 'Our production must go hand in hand

with good salaries. He express condemnation for what he called anti-worker laws that presently exist in this country. People while being employed, by means of the employment letter are at the whims of their employers -- Employers reserves the right clearly stipulated in the same letter of appointment - to fire workers at any time without notice. Also, the two years probationary period in which public workers entering the service for the first time, is used indiscriminately against the workers. This situation he considered



to be unprincipled and should be made unlawful so that no anti-worker employer would be allowed to operate here. He made reference to the Bata Company which has suddenly closed operation here recently throwing workers out on the bread line without retrenchment pay. This is not strange he pointed out, however he called on all prospective and existing foreign companies operating here to keep within the labour laws. He added that government should look into the operation of the N.I.S. Although he stated sentiments of support for the scheme, the present system should be made operative in such a way as to bring better benefits to its contributors.

Mr. Harford called for support for the Workers Movement throughout the world in particular, South Africa which is presently struggling

against manipulation, dictatorship and apartheid. In winding up his address he reminded the workers to do whatever they can to ensure the trial of ex-T.A.W.U. president, Mr. Chester Humphrey, who is presently in custody awaiting an extradition trial, is free and fair. For there is no country that would extradite its citizens.

Minister of Labour Mr. Francis Alexis and Mr. George McGuire, Minister of Education were present. In his address Mr. Francis brought greetings from his party and Government to the workers of Grenada. He recalled the History of Labour Day and its purpose. Being able to work freely is something we should prize because even this very moment there are workers in other countries who are denied their basic right to assemble. It is very easy for

workers rights to be abused he added.

He said his government is committed to creating employment, they are going to do all in their power to ensure this materializes. Applause came from the crowd of workers as the Minister said no employer will be issued with work permit to bring in an expatriate when there are nationals who can perform the same duties. You must guard yourself from those who prostitute labour. Government is putting an end to worker - modern day slavery he said in referring to those employers who exploit workers by paying 'scandal' wages. In the same breath he reminded workers:

no production no wages. He went on to announce the reopening of the United States Farm Labour Programme and called on those who will be selected from

time to time, to deport themselves with a sense of responsibility, only by so doing we can ensure the continuation of the programme. In closing he indicated that a high level team of labour representative for Grenada on the 71st conference of Labour Committee

Labour Commission in Geneva later this year.

Solidarity messages followed delivered by the different union officials. Presentation of a check totalling \$30,000 contributed by the Airport Development Committee. Parliamentary Secretary for the Ministry of Works, Mr. Kenny Lalsingh, received the donation. In a few words of appreciation he said this contribution will go a long way in pushing the work forward and thanked the committee for its efforts.

CSO: 3298/733

It was the first time in the history of the celebration that it was held outside the Capital, St. George's. This was done to promote integration. Taxi Owners and Drivers Association was not represented there in spirit as indicated in their solidarity message.

After the ceremony workers departed to various venues for a bumper party. TAWU won the prize for most outstanding Union, followed by SWWTU.

GRENADA

NUTMEG GROWERS HIT GOVERNMENT DUTY ON FARM EXPORTS

Port-of-Spain TRINIDAD GUARDIAN in English 23 May 85 p 4

[Text]

ST. GEORGE'S, Wed.,  
(AP):

GRENADA'S Nutmeg Association complained on Monday the Government charged an export duty tax on farm produce while industrial dividends were tax exempt.

"The removal of this tax on company dividends shows that investment outside of agriculture will benefit tremendously while investment in agriculture is given no incentive," the association said.

The statement was contained in a report to be presented to a general growers meeting on Wednesday. The report was prepared by the Nutmeg Association's management board.

Farmers including representatives of the association, and the Grenada Banana Co-operative Society discussed the problem with Prime Minister Herbert Blaize on May 13 and in early January.

In his 1985 Budget presentation last month, Mr Blaize said the Government's intention would be to eliminate the tax over the next four years. At the time, he also announced an immediate 25 per cent cut of the tax. He repeated that same position last week.

During last week's meeting, the Nutmeg Association at first agreed to pay a collective export duty bill of \$730,000 in 12 monthly installments and then reversed the decision.

The report called the export duty tax for farm products "immoral, unjust and iniquitous."

Mr Blaize rejected the position that the tax was illegal.

"The board holds the firm view, and it hopes every member of the association and, indeed, all farmers, will be in agreement that no export duty must be paid," the report said.

CSO: 3298/747

GRENADA

BRIEFS

MITCHELL ON THREAT TO DEMOCRACY--Dr. Keith Mitchell, Minister of Works, Communications, Civil Aviation, Public Utilities and Energy, returned to Grenada on Monday after attending a Conference at the Republican National Institute in Washington, U.S.A. His address entitled "Totalitarian Threat to Democracy" stressed the point that the most effective way of dealing with the threat is to ensure that those who preached democracy, really practice true democracy. He said in his opinion there could not have been a Castro without a Batista, a Sandinista without a Somoza and a Coard without a Gairy. After the Conference Dr. Mitchell talked to Grenadians in Washington, Toronto and in New York. [Text] [St Georges THE GRENADIAN VOICE in English 11 May 85 p 2]

CSO: 3298/734

JAMAICA

SEAGA'S 1985-86 BUDGET HAS EXPENDITURES UP BY 1 BILLION

Budget Overview

Kingston THE DAILY GLEANER in English 17 May 85 p 1

[Text]

## BUDGET AT A GLANCE

DEPARTMENT/PORTFOLIOS	RECURRENT	CAPITAL	TOTALS
Governor General & Staff	548,000	—	548,000
Parliament	7,380,000	—	7,380,000
Parliament Ombudsman	658,000	—	658,000
Audit	2,870,000	—	2,870,000
Services Commission	2,500,000	—	2,500,000
Prime Minister's Office	38,925,000	30,765,000	69,690,000
Finance & Planning	1,516,612,000	950,410,000	2,467,022,000
Labour	9,089,000	150,000	9,239,000
National Security & Justice	357,146,000	20,130,000	377,276,000
Public Services	70,657,000	7,253,000	77,910,000
Social Security	63,534,000	700,000	64,234,000
Education	495,065,000	36,987,000	532,052,000
Youth & Community Dev.	38,760,000	4,602,000	43,362,000
Health	307,583,000	20,385,000	327,968,000
Foreign Affairs & Foreign Trade	59,000,000	36,000,000	95,000,000
Agriculture	61,243,000	45,357,000	106,600,000
Industry & Commerce	15,986,000	10,600,000	26,586,000
Tourism	1,635,000	80,600,000	82,235,000
Mining & Energy	5,187,000	13,095,000	18,282,000
Public Utilities & Transport	56,145,000	59,691,000	115,836,000
Construction & (Works)	49,383,000	106,500,000	155,883,000
Construction (Housing)	23,506,000	17,750,000	41,256,000
Local Govt.	140,875,000	7,050,000	147,925,000
<b>Total</b>	<b>\$3,324,287,000</b>	<b>\$1,448,025,000</b>	<b>\$4,772,312,000</b>

## Details of Estimates

Kingston THE DAILY GLEANER in English 17 May 85 pp 1, 3

[Text]

**THE GOVERNMENT PLANS** to spend some \$4.7 billion dollars during the financial year 1985/86, according to the Estimates of Expenditure tabled in the House of Representatives yesterday by the Prime Minister and Minister of Finance, the Rt. Hon. Edward Seaga.

The figure is nearly one billion dollars more than the net expenditure in last year's budget of \$3.8 billion.

Details of the estimates show the following:

Recurrent Estimates — proposed gross spending \$3,324,287,000 less appropriations-in-aid of \$40,391,000, making a total net expenditure of \$3,283,896,000.

Capital Estimates — proposed net expenditure of \$1,448,025.

This makes a grand total of \$4,731,921,000 which it is planned to spend in the ensuing financial year.

Last year the estimates targeted net spendings of \$2,827,559.1 on the recurrent budget, and \$1,065,522.5 on the capital budget making a total of net expenditure of \$3,893,081.6.

However, these figures were revised in the First Supplementary Estimates which were tabled in March, 1985 which reduced the net spending by \$151,085,192.

The estimates are to be studied by the Standing Finance Committee of the House on May 28, 29 and 30. The Budget Debate will be commenced by Mr. Seaga on June 6 and will be concluded on June 18.

The Minister of Industry and Commerce, the Hon. Douglas Vaz, is expected to speak on June 11, and the Minister of Agriculture, the Hon. Percival Broderick on June 12. A third Minister will lead off on June 13, but this has not yet been decided. There will be about two non-Cabinet speakers on each day following the opening.

The Ministry of Finance and Planning, as usual, leads the allocations with \$2,467,022,000, divided into recurrent expenditure of \$1,516,612 and capital expenditure of \$950,410,000.

Next is the Ministry of Education with \$532,052,000 divided into recurrent expenditure of \$495,065,000 and capital expenditure of \$36,987,000.

Third is the Ministry of National Security and Justice with \$377,276,000 — \$357,146,000 for recurrent expenditures and \$20,130,000 in capital expenditure.

The fourth highest Ministry is the Ministry of Health which is to receive a total of \$327,968,000 — \$307,583,000 for recurrent expenditures and \$20,385,000 in capital expenditure.

The Ministry of Agriculture is allocated \$106,600,000; the Ministry of Construction, including Housing and Works, \$197,139,000; and the Ministry of Local Government, \$147,925,000.

In the Ministry of Finance, \$600 million have been made available for the repayment of loans, which is \$255,142,000 more than was required last year. These repayments include the redemption of land bonds which have matured and the repayment of instalments on market loans raised in the United States, Canada and the United Kingdom.

There are also provisions for repayment of contributions to the Sinking Fund totalling \$60 million, which will fund local registered stock and Jamaica Government registered stock raised on the U.K. market.

The subsidy for the Basic Needs Basket which was \$37 million last financial year 1984/85, has been dropped from the budget.

In the Ministry of the Public Service over \$100 million has been provided for pay administration and plan-



ning, including the negotiations with trade unions and associations representing public sector employees which have already begun.

Poor relief services in the Ministry of Social Security, for persons who are wholly destitute of any means of subsistence and at the same time suffer due to mental or physical causes and are unable to earn a living, will be bolstered by an injection of \$13,529,000, while the Food Aid Plan is to receive an additional \$25 million.

In the Ministry of Education, primary and all-age schools are to receive an increase of \$5.9 million for financing the cost of primary education. The funds will primarily address the needs of socially depressed urban areas such as the Trench Town Primary, Jones Town Primary and Mavereley All-Age Schools.

Some 81 Secondary schools with enrolment of 109,588 are also to receive approximately \$6 million more to cover a programme emphasising technical and vocational training. And, some \$3 million is slated for high schools to cover areas such as repayment of guaranteed loans and repair and replacement of furniture.

Jamaica's contribution to the University of the West Indies has been increased by \$7 million on the basis

of a formula agreed on by the participating territories.

There has been an increase of \$3.5 million on the sum allocated for furnishing children of primary school age with material for one uniform free of cost. Under the World Food Programme, an additional \$4.5 million has been provided for the School Feeding Programme.

In the Ministry of Youth and Community Development, an additional \$1.4 million has been provided for the four Children's Homes controlled by the Government and for making grants to the 27 private homes assisted by the Government.

In the Ministry of Health, the general administration budget and that of the Island Medical Stores have been increased by a total of \$9.6 million. A further \$1 million is to be spent on completing the new female ward at the Lionel Town Hospital and \$8 million more on the joint USAID/Government of Jamaica Health Management Improvement Project.

Under a USAID aided programme, the Jamaica National Export Corporation (JNEC) has received \$30 million to hire brokerage firms in the U.S.A. which will engage in finding buyers for Jamaican products.

In the Ministry of Agriculture, the Jamaica Agricultural Research unit receives an additional \$4.3 million to complete facilities for research on livestock, crops and plant protection. This includes

the building of a complex at Montpelier and the expansion of the Bodles Station.

The Japanese Coffee Project is to be boosted by \$16 million to expand Jamaica's development of Blue Mountain Coffee up to 3,500 acres.

In the Ministry of Tourism, an additional \$8 million has been made available to finance the cost of the development of tourism in the country, and \$3.5 million more to Jamaica Vacations Limited to provide working capital for the company.

Some \$22 million is to be spent this year on promoting Jamaica as a tourist resort destination. This programme is being financed through the USAID.

In the Ministry of Public Utilities and Transport, the Rural Electrification Programme (REP) is to be boosted by \$3.3 million, while \$12 million more has been provided for institutional improvements and upgrading of the rural water supply.

Approximately \$6 million has been made available for installing radar equipment for air navigation and rehabilitation and development works at the international airports.

The Postal Services are to receive approximately \$9 million more for improvements at the Central Sorting Office, as well as operations at the 35 post offices in the Corporate Area.

In the Ministry of Construction (Works), some \$4 million has been made available for maintenance of Parish Council roads; \$3.2 million for preventative measures on main roads and \$2.4 million for resurfacing Corporate Area roads under the Kingston Metropolitan Region programme.

The World Bank/Jamaica Government road improvement and maintenance programme for special road rehabilitation is to be increased by \$23 million to \$32,356,000 this year.

Some \$8 million has been made available for the Jamaica Highway Maintenance project with the assistance of the Saudi Fund for Development, and \$13.5 million more for the Kingston Metropolitan Region-Urban Transportation Project (Jamaica/World Bank Project).

There is also a provision of \$23 million for rural roads improvements under a loan agreement with the Inter-American Development Bank and a \$3 million Jamaica/Canada bridge development project.

In the Ministry of Construction (Housing), the Housing Fund has been boosted by an increase in its provision of \$4 million, while a \$1.3 million grant for low-cost housing in depressed areas has been made available.

In the Ministry of Local Government, \$3.3 million has been made available for the acquisition of a fire boat for the Corporate Area as well as water tankers, garbage units and heavy duty service trucks financed under a French protocol.

JAMAICA

## ECONOMIC SITUATION ASSESSED, POLICIES OF GOVERNMENT CRITICIZED

### Problems for Private Sector

Kingston THE DAILY GLEANER in English 8 May 85 p 3

[Text]

Deputy President of the Jamaica Manufacturers Association, Mr. Paul Thomas, has expressed fears of impending lay-offs and bankruptcies if the Government does not relax some of its policies.

Speaking on "The impact of the Government's economic measures on the manufacturing sector" at a public forum organised by the Private Sector Organization of Jamaica (PSOJ) at the Webster Memorial Church Hall Monday afternoon, Mr. Thomas said: "A company cannot turn on and off its working capital requirements, it cannot adjust to a hundred percent increase in the cost of its working capital without major dislocation. It can only do one thing — shrink, lay off workers as it seeks to chop and carve to pay expenses and the banks to hopefully survive for a better day."

He questioned if this was the Government's formula for a better day and warned the Government that their policy might be a means to the ends of controlling the exchange rate movement but it would surely be the end of the productive sector unless immediate steps were taken to channel funds at acceptable interest rates to the manufacturing sector.

"Government had better be careful, for if prices, taxes and inflation get any worse then pretty soon there won't be enough poverty to go around."

The JMA deputy president said that as a manufacturer he felt that there was "an overwhelming feeling of betrayal as manufacturers are faced with a lack of development finance, the ever increasing rates and the ever-changing and inconsistent Government policies contribute to under-

mine the confidence in the few good programmes of this Government."

"We in the manufacturing sector are totally disgusted with how the recent rounds of deregulation of the restricted items have been handled, we are totally disgusted with how the broad-brushed tariff measures have been implemented."

"We were misled and we have been deceived as early as February of 1985. We were given a schedule of deregulation covering the items on the restricted lists for the period 1985 to 1987. Sixty items were indicated to be deregulated in 1985."

He said that the Government had not given the association "the courtesy of a reply" when the JMA in consultation with the manufacturers affected by the deregulation made written (which were submitted to Government) recommendations as to reasonable tariff levels to protect efficient producers and avoid dislocation.

He said that "instead they were advised by the electronic media that all items were removed from licenses save for some 76 items which in the main are not manufactured locally and that interim tariffs and additional stamp duties were imposed immediately."

"Where is the promised government by consultation...to avoid the havoc, confusion and pending dislocation that now reign? Either we believe that self-interest geared to production will benefit the society as a whole or we do not, in which case we can forget about private enterprise as the engine of growth."

Mr. Thomas said he had noted farmers and Ministers of Agriculture were already

asking for items to be put back on restriction. He said that the pork industry will be decimated if the present conditions remain unchanged; certain garment manufacturers may close their factories and go back to import trading because the broad-brush tariffs in many cases cannot stop goods from the Far East swamping our domestic markets.

He described the credit crunch to defend the exchange rate as a policy that is "so negative that it defeats my ability to express the disastrous effects it is having on the manufacturing sector."

"This communication is essential for the strategies and policies of structural adjustment to develop a momentum of their own. In my opinion, they have not captured the imagination of our people, rather the policies are seen as disruptive and unsettling."

While expressing his organization's support of the Government's structural adjustment policies, he said that there was "a tremendous lack of communication between this government and we the governed."

He proposed that government immediately reinstate the items deregulated in April for 60 days "to cool the chaos and avoid impending dislocation resulting from a policy without consultation and immediately enter into consultation within this period with the sectors affected to

allow more meaningful and specific interim tariffs to be put in place."

He also proposed the introduction of a revision to the customs valuation system whereby duties are levied on certain agreed minimum values, to protect producers from under-invoicing and dumping while ensuring that consumers receive merchandise of proper quality, a system used extensively in the United States.

He proposed that a relaxation of the credit system as applied to the productive sector by creating an open pool with rediscount funds accessible by any bank without a percentage allocation and at realistic interest rates and the publication of a list of goods imported into the country, would cut down on smuggling.

Managing Director of the National Commercial Bank, Mr. Don Banks, who also spoke at the forum, predicted a one per cent increase in the savings rate by the end of the month and pointed out that what was needed was "a coherent tax policy as too many Jamaicans pay 57% income tax."

He said that he had no quarrel with the Government's structural adjustment programme. "However, the operation might be successful but the patient would have died."

Others panelists were economist Mark Ricketts and university lecturer and columnist Dr. Carl Stone.

### Threat of Imports

Kingston THE DAILY GLEANER in English 8 May 85 p 3

[Text] The de-regulation programme of the government will bring a "tidal wave" of foreign goods into the country that has not been seen since the "heady days of the 1950s and 1960s".

Also, the government has rushed into its de-regulation policy without necessary arrangements to guard against the dumping of imports on the Jamaican market. "The setting up of anti-dumping facilities is the very minimum they must do if the local market is not to be completely lost."

This was stated by Mr. Claude Clarke, President of the Jamaica Exporters Association (JEA), as he addressed a marketing seminar at the College of Arts, Science and Technology last week.

The present policies, Mr. Clarke said, could cause irreparable damage to Jamaica's productive sector and make it even more difficult for the nation to solve its economic problems.

Although additional stamp duties would increase the cost of imported goods and in theory provide a degree of protection, this was not enough.

"The Jamaican consumer needs to be encouraged to use more of what we produce instead of what we import." Government, he said, had no intention of providing the security that the Jamaican producer needed.

On the issue of CARICOM, Mr. Clarke said that there was a desperate need for the CARICOM market if many Jamaican companies were to restore their viability and export competitiveness. CARICOM, he said, provided local manufacturers with a choice to spread their overheads as well as a springboard for penetrating third markets.

On exports, Mr. Clarke said there was a need to apply a highly selective approach and set realistic targets based on the ability to service particular segments. Traditional marketing strategies, he said, could no longer work.

"We need new, innovative and bold approaches which will build on our enormous national strengths and conquer our weaknesses. The challenge is to recover our CARICOM market and re-establish a harmonious climate which will develop regional growth. It is to seek out third country markets which offer us the greatest opportunities for success and provide the highest returns to our country. It is to export finished consumer products which meet the highest international standards.

"The marketing function is perhaps the main hope for our economy to recover. They should be used in the best interest of our country and our people," said Mr. Clarke.

#### PNP Critique

Kingston THE DAILY GLEANER in English 9 May 85 p 17

[Text]

The People's National Party spokesman on industry and commerce, Mr. Alfred Rattray, has said that the heart of the economic problems in Jamaica is in the "unprecedented, unchecked and unchannelled importation under the banner of the free market philosophy."

Mr. Rattray was delivering the keynote address at the closing exercise and presentation ceremony of the Small Business Development, Waterloo Road, Kingston 10 recently.

In a critical overview of the Government's economic policies, Mr. Rattray said that the policies had resulted in massive increases in Jamaica's balance of trade deficits.

Tracing the deficit since 1977, he said that during the four years, 1977-1980, Jamaica imported an aggregate US\$507-million worth of goods more than were exported. By comparison, for the 3 3/4 years from 1981, to

September 1984, Jamaica imported US\$2.023-billion dollars worth of goods more than were exported.

Continuing, he quoted export figures which indicated what he said was a dramatic reverse. During 1977-1980, there was an increase in exports from US\$724-million to US\$964-million compared with a decline between 1981 and 1983 from US\$974-million to US\$670-million.

"It is this policy of unbridled imports against a background of declining exports which set the foundation for the catastrophic economic situation in which we find ourselves," he said.

"It has contributed for example to the increase in our foreign national debt which stood at some US\$838-million in 1980, but is now over



US\$3-billion. It contributed to the decline in the national reserves which stood at minus US\$537-million in 1980, but is now minus US\$1.087-billion."

Turning to the small business sector, Mr. Rattray noted that the sector was undergoing "extremely difficult times." He added, however, that there was no other sector which was more critical to national recovery than the small business sector.

Mr. Rattray expressed the view of his party that the small business sector could not survive the effects of the Government's open market policy. Neither could the sector survive the foreign exchange policy, particularly devaluation, he said.

"We cannot allow our markets to be taken away and handed to foreigners; we cannot allow our investment

opportunities to be syphoned off and placed in other hands."

Mr. Rattray reminded the certificate recipients that whatever action the Government might take it was imperative for the country to vastly increase production.

He described the work of the Small Business Development Centre as a beacon of hope for the future. The Centre was established in 1968 to provide service to the small business sector in Jamaica.

At the presentation ceremony there were some 75 trainees drawn from 26 occupational groupings. The trainees were instructed in a wide range of areas like basic principles of management, communication skills, record keeping, business finance, costing, production, personnel, supervision and so on.

#### PNP on Harm to Farmers

Kingston THE DAILY GLEANER in English 15 May 85 p 2

[Text]

The Chairman of the People's National Party, Mr. P.J. Patterson, has charged the Government with wanton disregard for the farmers of Jamaica through its deregulation policies.

Speaking in Mandeville on Sunday, May 12, at one of a series of regional meetings being held by the PNP, the Party Chairman said that much attention had been given to the disastrous effects of deregulation on the industrial and manufacturing sectors. However, the farmers were also seriously affected and this would have severe consequences for the agricultural sector.

Mr. Patterson said the massive importation of agricultural consumer products in 1981 had led to a serious reduction in domestic agricultural

production and had ruined many farmers who were forced out of business.

Farmers who produced meats, dairy products, red peas, onions, potatoes and other items will now have a greater pressure of competition from imported products.

"We are now about to return to the extravagance of importing apples, peaches and grapes which only the higher income earners can afford. There is no justification for adopting this policy without consulting our farmers," Mr. Patterson said.

The Party Chairman also questioned what input was sought from the Ministry of Agriculture and the Jamaica Agricultural Society by the Government when it was formulating its policy, and said that tariff measures alone could not deal with the situation.

## Statistical Review

Kingston THE DAILY GLEANER in English 17 May 85 p 22

[Text]

The February review of the Statistical Institute of Jamaica identifies some positive effects arising from Government's efforts to reduce its overall fiscal and balance of payments deficits through the containment of imports and the stimulation of exports. Non-bauxite non-fuel imports for the eleven months of the 1984/85 fiscal year maintained a level lower than the targets set at the beginning of the fiscal year. Exports of non-traditional manufactured goods for February showed an increase over the previous month. Production of both bauxite and alumina declined.

With respect to the rate of inflation there was an increase of 2.5% in February over the previous month.

The following are highlights from the areas:

### Fiscal Accounts

Data for the period April 1984 to February 1985 show an increase of 40.8% in total Revenue over the corresponding period in 1983/84 when the tax revenue was \$1,450 million compared to \$2,041 million for the April 1984 to February 1985 period. Total expenditure was \$2,928 million for the 1984/85 period compared with \$2,498 million for the corresponding period in 1983/84, an increase of 17.2%.

Preliminary data for the month of February 1985 over January 1985 show a decrease of 16.3% in total expenditure. There was however a decrease of 27.6% in tax collection from February (this is consistent with the seasonal pattern of tax collection).

The most significant decrease being the collections from Income Tax which fell by 23.1%.

### Money and Banking

During the month of February there was a continuation of government's monetary policies aimed at improving the balance of payments situation and controlling scarce foreign exchange. The Auction continues to play an important role in this area. For this month there were seven (7) Auction days and on these there were four consecutive devaluations of the Jamaican dollar. The dollar appreciated on the fourth and fifth auction day but depreciated on the seventh.

Total demand for foreign exchange during the month of February was US\$34.0 million, an excess of US\$3.5 million over the supply of US\$30.5 million. This excess of US\$3.5 million in February compares with US\$4.5 million in January 1985, and thus the supply as a percentage of demand increased from 83.2% in January to 89.7% in February despite the movement of the incremental demand from US\$24.3 million to US\$29.3 million.

At the end of February 1985, the assets and liabilities of commercial banks recorded an increase of 0.5% over the previous month, moving from J\$5,494.3 million to J\$5,522.0 million.

### External Trade

#### Payments and Tourism

Imports into Jamaica during eleven of the twelve months of the fiscal year 1984/85 remained on target in spite of increased imports of fuel in the past two months. Exports did not increase as was expected due to the decrease in exports of alumina and bauxite and the decline in alumina prices.

"For the eleven months of the fiscal year imports into Jamaica was 1.2% above the targeted figure for the



period, but 1.0% below the actual imports for the corresponding period in the previous fiscal year. At the same time exports was 1.5% above the figure for the corresponding period of 1983/84 with the result that there was a 4.2% improvement in the balance of visible trade".

The value of imports during the period April 1984 to February 1985 was US\$1,132.5 million, a decrease of 0.9% when compared with the April to February 1983/84 imports of US\$1,142,553 million.

"The overall decline in exports of the two major export commodities, bauxite and alumina resulted in a fall of 0.7% in the exports of the traditional export commodities". There were increases in the exports of such commodities as coffee and coffee products and gypsum but these were not sufficient to offset the overall decline in the exports of bauxite and alumina and the fall in exports of sugar and bananas. Total domestic exports during the period April 1984 to February 1985 increased by 0.9% from US\$621.7 million (in April to February 1983/84) to US\$627.6 million for the corresponding period in fiscal year 1984/85.

Total visitor arrivals for the month of February 1985 recorded a decline of 13.2% when compared with the previous month. This decline is due to the fact that it is the end of the winter tourist season.

### **Production**

Levels of production during the 1984/85 fiscal year to date varied within the sectors. In the Mining and Refining Sector the trend has been downwards. Bauxite declined by 9.2% and alumina also by 9.2% when compared with the corresponding period of the previous year.

Production in the Manufacturing Sector has shown both increases and decreases. Production of sugar increased by 5.4% over the figure for the corresponding period in the 1983/84 fiscal year. While production of condensed milk and edible oils

showed declines of 11.0% and 6.4% respectively when compared with fiscal year 1983/84.

In general the economic situation for the month of February indicates some improvement as levels of output were comparatively high. Among the products recording increased production (February over January 1985) were sugar, (286.6%) molasses (267.2%) and cigarettes (75.6%).

### **Inflation**

The previous lowering of the rate of inflation as measured by the Consumer Price Indices has been significantly affected by the increased price of gasoline and other petroleum products, which became effective in the latter part of January 1985, coupled with continued declines in the value of the local currency. Thus there was an increase of 2.5% in the Consumer Price Index in February 1985 over the previous month. This upward movement is expected to continue over the next three months, due to the indirect effects of the gasoline price increase.

For the month of February 1985, the rate of inflation on an annual basis (February 1984 to February 1985) stood at 28.6%, while for the fiscal year to date (April to February) it was 26.6%.

### **Population and The Labour Force**

The population at the end of 1984 was 2,190,000 representing an increase of 1.4% over 1983 an addition of approximately 31,000 to the population.

The components of this change were 41,400 from natural increase and 10,500 representing the net external migration. This compares with 48,800 from natural increase and -4,300 from external migration in 1983.

The Labour Force data, available up to September 1984, records a total labour force of 971,400 persons an increase of 1.4% over the March level. The number of persons in employment also fell from 732,700 in March 1984 to 724,700 in September.

The unemployment rate stood at 25.4% at the end of September 1984, a 0.2% decrease from March of 1984.

## 1984 Petroleum Consumption

Kingston THE DAILY GLEANER in English 17 May 85 p 22

[Text]

A foreign exchange savings of US\$29.2 million resulted from an 11% decline in petroleum consumption by the non-bauxite sectors of the Jamaican economy in 1984.

In 1983 these sectors consumed 8,677,280 barrels or 304,404,800 IGs of petroleum. In 1984 the figures fell to 7,738,982 barrels or 270,864,370 IGs.

Energy demand in 1984 was affected by several factors. The decline of the Jamaican dollar resulted in heavy price increases on petroleum products. Consumer reaction produced a fall in petroleum consumption.

The decline in economic activity in some areas of this sector also resulted in reduced energy demand.

An increase in energy efficiency in many areas reduced petroleum consumption.

The residential sectors of the economy recorded a 0.7% increase in electricity consumption. Government institutions' electricity consumption fell by 7.8%. Industrial electricity consumption decreased by 1%.

The total sale of electricity by JPS in 1984 was 1,162,772 mwh, a reduction of 0.8% to 1983's figure of 1,172,472 mwh.

Consumption of regular gasoline fell by 58.3%. This was because the refinery stopped producing

regular gasoline in the latter half of 1984.

Consumption of premium gasoline fell by 7.8%.

Automotive Diesel oil consumption fell by 11.9%. Its use in transportation fell by 5%.

JPSCO a major user of automotive diesel oil, consumed 28% less of A.D.O. in 1984.

The increase in the price per cylinder contributed largely to a 6.1% reduction in LPG (cooking gas).

Kerosene was the only product that showed an increase of 12.4%. This is due largely to the increased use of the product for mixing in diesel engines, and as a substitute to cooking fuel for the more expensive L.P.G.

### Highlights of the Decline

Products	% Decline
Avgas.....	5.5
Turbo.....	12.3
Premium Gasolene.....	7.8
Regular.....	58.3
Automotive Diesel Oil.....	11.9
Mechanical Diesel Oil.....	38.6
Bunker C.....	10.8
L.P.G.....	6.1
Lubricants.....	35.3

## Seaga Defense

FL241600 Bridgetown CANA in English 2024 GMT 23 May 85

[Excerpts] Kingston, May 23--Prime Minister Edward Seaga, whose policies have been blamed for the harsh economic conditions facing Jamaica, today marked Labour Day celebrations with an assertion that his government's economic reform programme was meeting its objectives.

Seaga, whose economic policies have included big currency devaluations, public sector retrenchment, and cuts in government spending, called for increased production and productivity to guarantee sustained economic growth and social fulfilment.

The government has held resolutely to the course it set to rebuild the economic base of the nation and put the country on the path to prosperity, he declared.

We have kept our sights firmly fixed on our objectives and have now started to achieve some of our targets we have set ourselves, in what must be the most intensive economic adjustment this country has ever undertaken.

Labour Day in Jamaica coincides with the date of the 1938 labour uprising here which gave birth to the island's modern trade union movement. Since the 1970's the day is used mainly for voluntary work projects under the theme of putting work into Labour Day.

Seaga said the whole country had to bear hardships and make sacrifices, but he observed that workers and their trade unions had responded with understanding and restraint.

However, Seaga said there were some intent on disrupting the economic timetable by resorting to strategies designed to undermine the very ideals of the struggles of 1938.

CSO: 3298/737

JAMAICA

## GOVERNMENT POLICIES SPARK PNP PROTESTS, ENSUING DISPUTES

### Political Reactions

Kingston THE DAILY GLEANER in English 16 May 85 p 3

[Text] In the face of yesterday's demonstrations in Cross Roads and New Kingston, different versions and reactions came from different political factions.

The Jamaica Labour Party hit out against the protests while the People's National Party accused the Government of giving political instructions to special units of the security forces to "confront the people of Jamaica."

The JLP in a statement signed by Ryan Peralto, General Secretary, said in part: "The Jamaica Labour Party condemns the demonstration staged by the PNP in the New Kingston hotel area, as a most dangerous and politically irresponsible act.

"The deliberate selection of the hotel area can only be interpreted as deliberately intended sabotage to the tourist industry as it was a highly publicised fact that some 150 travel agents, and tourism-oriented persons, were expected this week to attend a seminar there, and that foreign press would be in attendance.

"The deliberately damaged hotel property and motor cars etcetera, in the vicinity of the hotel, can only be seen as providing fuel for the foreign press fire," the JLP release said.

In regard to this, reports from the Police Information Centre were not detailed, saying only that three women were injured in the demonstrations between Cross Roads and New Kingston.

Senator the Hon. Hugh Hart, Minister of Mining, Energy and Tourism, in a statement said: "The political opponents of the Government have once again demonstrated their ruthless determination to destroy the tourism industry and thus the economy of Jamaica, by deliberately and callously centering their action on the industry.

8 July 1985

"The total extent of the setback to the industry caused by the January demonstrations will never be fully known, because of the long-range effect of such events.

"As best as can be estimated at this point, the country lost some US\$30 million as a direct result of those demonstrations.

"It has been stated repeatedly since then, in every conceivable forum, that any other irresponsible acts of public disorder could well deliver a fatal blow to this sensitive industry."

Young Jamaica, the youth arm of the JLP, and the Nationalist Patriotic Movement, also condemned the demonstration.

NPM said "the attack on the Wyndham Hotel and the property of the National Car Rentals is a clear indication of the aims of the PNP: the disruption of national life and the upsetting of the economy."

Young Jamaica said: "It is clear that the intention of the PNP supporters went far beyond peaceful demonstration. They misled the police to believe that there would be a demonstration at Duke Street. They burned tyres on Caledonia Avenue, attacked the property of National Car Rentals and attacked and occupied the Wyndham Hotel."

The PNP in its release accused "the Seaga regime of implementing a pre-determined plot to eliminate any form of peaceful protest, and that the Government had embarked on a programme of giving political instructions to certain special units of the security forces to confront the people of Jamaica."

The PNP said: "The accusation was made following the irresponsible action by units of the police force who without due regard for the safety of lives and property, tear-gassed members and supporters of the Party at two peaceful demonstrations today."

#### May Pen Demonstration

Kingston THE DAILY GLEANER in English 7 May 85 p 3

[Text] Four Paths, Cn., May 6--About 300 People's National Party supporters led by PNP vice-president Mr. O.D. Ramtallie, demonstrated in May Pen today against the cost of living and calling for the resignation of the Jamaica Labour Party Government.

The placard-bearing crowd started from the PNP office on Chaptelton Road about 10 a.m. and marched through the streets to the court house, Muir Park, the town square and then back to the Chapelton Road office.

Police watched the 3-hour demonstration which was peaceful and without incident.



Spaulding Comment

Kingston THE DAILY GLEANER in English 17 May 85 pp 1, 3

[Text]

Minister of National Security and Justice, the Hon. Winston Spaulding, yesterday defended the police tear-gassing of demonstrators in Cross Roads on Wednesday and said the PNP demonstrators were "irresponsible."

He said the Government was committed to democracy and he had signed no orders banning meetings or demonstrations.

The Police Commissioner had approved some 19 such meetings and the one time he said no because of intelligence reports, and in the national interest, he came under fire.

Mr. Spaulding was addressing the Second Annual Conference of the Special Constabulary Force Association at the Jamaica Government Conference Centre in Kingston.

The Police High Command, he said, had banned the Cross Roads demonstration by the PNP because intelligence reports were that certain elements would be using it as a cover for criminal activities. If the police had not taken firm action half of the city would probably have gone up in flames, he said.

"Perhaps, if police had not taken the action they did, this meeting would not be taking place today," Mr. Spaulding said.

Untold harm would have been done to the economy, with tourism, which meant so much to the economy, getting a heavier body blow.

Mr. Spaulding said: "This Administration is committed to people demonstrating peacefully and lawfully to the extent of the security resources."

He said however that there was a new argument developing that bespoke democracy as demonstrations, regardless of, and ignoring the competent authorities who were responsible for the maintenance of law and

order.

The argument ran that if it was a special occasion, the discretion of the competent authorities must be discarded. This, Mr. Spaulding said, was a recipe for disaster.

He said: "The Police High Command said you can march, demonstrate, but we have information that certain elements plan certain things" which could be cataclysmic, and badly affect tourism.

"Whatever Government, it was not PNP or JLP dollar, it was the country's," he said.

There was talk, he said, that the demonstration was to take place in a private car park, but it abutted a public place and the police had a right to be there, and the authority of the police had not been suspended.

He said he was disturbed that a responsible organization had informed the Police Commissioner they wished to be present in large numbers on Duke Street and while the Police High Command was working out security arrangements, behind his back they planned to demonstrate elsewhere.

(Throughout his speech Mr. Spaulding, without calling names, referred to an organization, apparently the PNP, and the Cross Roads and

New Kingston demonstrations by the Party in which at least three women were injured in confrontations with police who used tear gas to disperse them. They were protesting increasing costs of food items, and called for elections.)

He said people had rights, and other people had rights to go about their business peacefully.

"If the crowd had been made into a monster, what happened in January (apparent reference to the two-day gas demonstrations) would look small."

When the Police High Command in their discretion on this occasion said "Do not do it" as it would lead to trouble, they (PNP) acted irresponsibly and childish and went ahead.

He said people were blaming the security forces for what was happening, but it was 6,000 regular police and 2,000 Special Constables dealing with a population of two million.

What happened at the Wyndham Hotel



in New Kingston where the three women were injured in an incident after police tear-gassed demonstrators in the hotel complex, was not the police's fault, he said. After the demonstrators were dispersed from Cross Roads, where they were not supposed to be, they went there.

Mr. Spaulding said that two years ago the Police High Command had advised against a proposed demonstration and when it went through and criminal acts occurred, they (PNP) said it was because of the people's enthusiasm.

Mr. Spaulding said there had been demonstrations in Ocho Rios, Montego Bay and mass meetings, and the authorities did not say "do not go through with them."

He had not signed any orders banning meetings or demonstrations "but if you believe things going to happen and half of Kingston burn down, they are going to say is the Police Commissioner's decision."

But Government would not be allowing the country to "mash up."

"There is the force to stop it, we don't want to do it, but otherwise the country break down."

"Collectively we are all part of the national ship," and if one cabin was torpedoed the ship could go down. Personally, he said, "if one had a better way, come out with it," but with one's rights came responsibility.

A healthy, vibrant democratic system was important "to our way of life." Everybody had the right to speak and make self-expression. But people must not use this right to do what they wanted, when and where they wanted, without thinking of the responsibilities attached.

He said: "Let us be democratic but not destructive." No magic wand could wish "our troubles away."

"Every right has a corresponding responsibility and any country that forgets that; does so at its peril."

Mr. Spaulding said they had to set the ground rules today, or tomorrow might be too late.

#### Manley Statement

Kingston THE DAILY GLEANER in English 17 May 85 p 1

[Text]

The President of the People's National Party, Mr. Michael Manley, yesterday defended the Party's demonstration on Wednesday, saying that it was considered necessary because of the mounting concern of the PNP for the continuing threat to the democratic process of the country. Mr. Manley said also that the demonstration was against the devastating impact of the cost of living on all sectors of the society.

In a statement released by the PNP, Mr. Manley, who is recuperating from recent surgery, said that the Government did not know how to alleviate the suffering of the people. People would resort to protest action as they had no other way of expressing their anger and resentment against a Government "which had no mandate, never kept its word, did not listen, did not care and in whom they had lost confidence."

Mr. Manley said that he was deeply concerned about "political instructions which led to the tear-gassing of demonstrators standing absolutely peacefully inside a private car park." In addition, he said, pedestrians, commuters and school children were victims of a "wanton" and "brutal"

action.

"This was a deliberate act of provocation designed to intimidate citizens and prevent them from exercising their legal and constitutional right of free assembly and their right to peaceful protest."

Mr. Manley said that the claim that any and every demonstration at this time was unpatriotic because of its possible effect on the economy and the tourist industry, irrespective of the justification, or necessity of the demonstration, was "spurious and transparent." It was a political ploy to deny the right to protest peacefully against oppression.

He wanted to remind Jamaicans, he said, that the country's democracy was a precious but fragile system. It could easily crumble under the assault of a government determined to hold on to power even when it had lost credibility and support. The Jamaican people must ensure that this did not happen.

"I thank the thousands of Jamaicans who defended their democratic rights with courage and discipline yesterday. Let those who are tempted to rule by oppression know that the people will not bow, he said."

PNP Accusation Against Police

Kingston THE DAILY GLEANER in English 20 May 85 p 2

[Text]

**The People's National Party (PNP) has accused the police of acting illegally by ordering PNP supporters demonstrating in Cross Roads Wednesday to disperse and by the "unnecessary and excessive use of force, the assault on private persons and the attack on private property."**

In a letter signed by PNP Chairman, Mr. P.J. Patterson who was among PNP leaders at the demonstration in Cross Roads on Wednesday morning, the PNP set out details regarding contacts between themselves and the police before the demonstration. The letter said that the PNP indicated to the police Commissioner on Tuesday evening that the Party no longer intended to carry out the planned meeting in Duke Street because it had heard of the possibility of politically motivated attacks against its supporters, and intended to gather at Cross Roads instead. It said that while the Commissioner indicated a clear preference for the gathering at Duke Street he "did not at any time in the discussions which ranged for two and one-half hours seek to prohibit a gathering in Cross Roads."

It said it was therefore shocked by a release by the Commissioner at midnight Tuesday that no gathering would be permitted in the Cross Roads area.

The PNP said "the right at common law for free assembly is enshrined in Section 23 (1) of the Constitution of Jamaica". The PNP also stated that while the Public Order Act requires the permission of the police for a march it does not require police permission for a public meeting or an assembly of persons engaged in peaceful protest.

"We state that the approach of the police must always be to uphold rather than to suppress this right (of free assembly). Any belief that it is a privilege granted by the police leads to the abuse of power and is a prescription for tyranny," the PNP said.

The letter recounted the PNP's version of what transpired on Wednesday morning, May 15 in Cross Roads where the PNP had gone

ahead with its meeting. It said that Assistant Commissioner Wynter approached officers of the Party and advised that the people go home and expressed fear that whatever might happen would be blamed on the PNP. The PNP re-iterated its intention to remain, the letter said, and another order to disperse was made, immediately after which teargas was thrown.

"The PNP challenges the legality of the order to disperse, condemns the vicious and indiscriminate display of force." It said elements of the Security force there were determined to confront the people.

It said the people later gathered at Knutsford Boulevard and "despite the earlier attacks and provocation, they remained animated but orderly." It was the throwing of tear gas which caused demonstrators to seek shelter in the Wyndham Hotel, the letter said.

### Spaulding on Security Spending

FL262126 Bridgetown CANA in English 2047 GMT 24 May 85

[Text] Kingston, May 24--Jamaica's National Security Minister Winston Spaulding has defended proposed heavy spending on the security forces, insisting it was needed to combat crime in the country.

Spaulding spoke to a graduating class of policemen here, after government announced its budgetary estimates, which included an allocation of 377.2 million dollars (J) for security--the third highest in the budget.

Spaulding said the money was needed to purchase equipment and provide facilities for fighting crime. It was imperative, despite Jamaica's economic difficulties.

If the ganja (marijuana) barons and cocaine kings who believe everybody has a price, and the gunmen who think their combined strength can make segments of the society bow, and the rapists and thieves are to be fought, the security forces have to be equipped, Spaulding declared.

CSO: 3298/736

JAMAICA

PARLIAMENT CONVENES; GLASSPOLE DELIVERS THRONE SPEECH

Kingston THE DAILY GLEANER in English 16 May 85 pp 2, 4, 21

[Text of Throne Speech by Governor General Sir Florizel Glasspole to Parliament on 15 May 1985]

[Text]

"Our nation has met the challenges, the triumphs and the disappointments of the past year and can record a continuation of the process of economic recovery on which the Government embarked in 1981. The four-year period ending in 1984 witnessed negative growth becoming positive, a reversal of the decline in investment, a dramatic reduction in the inherited budget deficit, an improvement in the foreign exchange balance, a decrease in the average level of inflation, and a marginal decline in unemployment.

All these major indicators of economic health are now moving in a positive direction after nearly a decade of negative movement in the 1970's.

For 1984/85, the Government set itself two major targets — the reduction of the budget deficit to one-half of its existing level, and the turn-around of the balance of payments deficit position. As regards the first target, the budget deficit inherited from the previous Government and running at a level of 17% of Gross Domestic Product was reduced by more than one-half to 7.2%, that is even less than the target of 8.3% set at the beginning of the year. With respect to the second target, the country's balance of payments, which in the financial year 1983/84 reflected a deterioration of some US\$312 million, was reversed to an improvement of some US\$265.5 million in 1984/85 — by any measurement, a remarkable turn-around.

The achievement of those two targets represents the greatest adjustment effort of any country anywhere in the world last year.

In addition, investment projects continued to materialise at a record level of between two and three projects per week through the sustained efforts of Jamaica National Investment Promotion Limited. Unemployment continued its steady decline to 25.4%.

Throughout the past year, Government implemented a wide range of projects. The emphasis this

year will be to continue this programme of implementation. New projects are being introduced only where necessary so as to allow the existing programmes to be fully and effectively implemented.

**Productive Sector**

The productive sectors on the whole responded positively to the devaluation strategy which enabled Jamaican goods and services to be more competitively priced or improved the profitability of returns to the Jamaican producers.

In the case of tourism, for instance, the Jamaican operators benefit from the lower rate of exchange as each U.S. dollar now converts to a larger amount of Jamaican dollars in the hands of Jamaicans. The strategy of devaluation has, in fact, rescued many tourism enterprises, including hotels, from collapse.

This year will see a continuation of expansion in this vital sector. Once again, as has been the case recently, it is expected that there will be positive growth in the number of visitors arriving in Jamaica and in the foreign exchange earnings of the sector.

But growth will not be as great as was originally expected because adverse publicity of the demonstration on the increase in the price of gasoline in January this year greatly damaged Jamaica's image of stability. As a consequence, benefits which would have resulted from the increased number of visitors have been lost.

**Timely**

It is timely that I should repeat here my observation last year:

"This level of stability which Jamaica has enjoyed in recent years is a precious commodity which no one should squander. Protest for good reason will always be afforded the attention that enables understanding. Not so those who want their views to prevail regardless of the consequences.

"That the end should justify the means is a foreign doctrine to Jamaicans. The people have put behind them the turbulence of ideological conflict, and the offensiveness of political rhetoric. They want no more of it. They expect soberness to prevail and will hold to blame those who want them to judge their cause, not with reason but with fear.

"The fabric of economic recovery is a delicate one. Few would take comfort in the fact that there are many who hold some power in their hands with which they can unravel it. But many more will embrace the view that true Jamaicans will not willfully harm this country and themselves, and true Jamaicans yet will not forgive the few who lack national compassion if they seek to prejudice what many have laboured to build."

### **Powerful Tool**

The amendments enacted by way of the "Tourist Board (amendment) Act, 1985" last month will provide a powerful tool to deal with drug pushers, pimps and other molesters who are endangering the future of the industry. Government will use the provisions of the Act to license operators within designated areas so as to ensure that those who play a role in tourism also carry a share of the responsibility to promote a good image of our country.

A new promotion drive has been launched and there is great determination to re-build the momentum of the industry to the dynamic level which it enjoyed before the disruptions in January.

Likewise, the agricultural sector has enjoyed the benefits of the series of devaluations of the Jamaican dollar. Farmers today are getting better prices for their export and domestic crops than ever before.

Other contributory factors have made this possible. There is substantially increased credit available to farmers. Last year the Agricultural Credit Bank disbursed \$76.5 million in loans to farmers of which \$23.5 million was through the People's Cooperative Banks to small farmers.

### **New Enthusiasm**

A new approach to farming has been fostered by the concepts of Agro 21. Farming is no longer relegated to the category of bare subsistence activity or at best high risk investment with poor returns from traditional crops. High technology and commercial approaches to farming, together with new crops and new markets have upgraded the image of farming, so that a new enthusiasm prevails across the land.

This awakening is further stimulated by the Government's policy of exempting almost all farming from Income Tax.

In this year the second major expansion project in coffee will commence with an additional 3,500 acres to go into cultivation in the Blue Mountain area of Portland. This project will not only provide for an expansion of coffee production but in addition will build schools, roads and community centres, among other amenities for the people of the area.

Similarly, another project will commence this year to provide development of 1,500 acres of lowland coffee.

The expansion of banana cultivation for export begins to show substantial increase this year in the two high technology farms — Eastern Banana Company in St. Thomas and Victoria Banana Company in Clarendon. Earnings are expected to double in the year.

The long and expensive journey in the restructuring of the sugar industry is now nearing completion. The new management arrangements involving Tate and Lyle have already shown positive results at Frome Estate in Westmoreland where the profitability of the factory has made a dramatic turnaround.

As a result of studies of factories operated by the National Sugar Corporation, Sugar Production at Bernard Lodge, Caymanas and Innswood will be phased out and the land made available for the production of winter vegetables for export, rice, soya, corn and fish for the domestic market.

### **Fair Warning**

Nonetheless, sugar production nationally will still be adequate for the secure markets to which we sell: the European Economic Community and the local market. Other markets to which we now sell some sugar are facing very unpromising conditions that give us fair

warning to reduce our reliance on these markets. The Government has taken note of the conditions of the international sugar market and is acting accordingly to safeguard the future from the uncertainties which prevail in the international marketplace.

The removal of import licensing has caused concern to the farming community. The recent announcement of the Prime Minister on the deregulation of imports made it clear that the protective duties imposed against imports were subjected to re-examination once true cost levels were assessed.

The manufacturing sector has also voiced similar complaints and the sector also, should be reminded that the level of tariffs imposed is not final. A review of these tariffs will take place when the study by the World Bank is completed in December indi-



cating the level of competitiveness given the cost difference between locally manufactured goods and imports. In the meantime, Government has indicated that it will act to deal with glaring cases detrimental to local industry once true comparative cost levels have been established by the Prices Commission.

These tariff arrangements recently announced, were to have been imposed next year but were brought forward by Government to close the gap in revenue resulting from the closure of the Reynolds and Alcoa operations.

#### **Opportunities**

The deregulation of imports has re-opened opportunities for CARICOM trading by creating the climate for a better balance of intra-regional trade. This will assist local manufacturers in reviving CARICOM trade.

The deregulation has also dealt effectively with the bureaucratic hurdle of import licensing, long the subject of frustration and complaints. Government now proposes to re-organise the customs services as the next step in improving effectiveness in import administration.

The growth of export manufacturing in the garment industry continues. The operation of the Free Zone has been placed under the administration of the Jamaica Industrial Development Corporation, to ensure that operators have a one-stop agency capable of dealing with all problems. The problems affecting the Free Zone are now to be given concentrated attention to ensure that both workers and operators have a mutually satisfactory climate for operation.

Training of new recruits for industry continues through H.E.A.R.T., to ensure that, by pre-selection of those with ability, the recruitment process will be more satisfactory. Employment opportunities continue to grow.

#### **In the Balance**

Nevertheless, despite these gains, we continue to feel the impact of the worst global recession in fifty years, even though some industrialised countries have by and large recovered from the effects in their own economies. The fact is that the bauxite industry has still not shown signs of recovery, with the result that we last year lost Alcoa and Reynolds, two companies which had been operating in Jamaica for some twenty and thirty years. The damage to the economy which their departure has occasioned has been grave and, unfortunately, the picture in the Mining Sector continues to be a bleak one as the future of yet another plant continues to hang in the balance.

These negative developments in the Bauxite/Alumina Industry have meant that to a significant extent advances in terms of the economic recovery programme have been largely offset.

This means that Government must intensify the strategies which it has been successfully pursuing for economic recovery, although circumstances beyond our control render the achievement of our target increasingly difficult.

Indeed, it is this determination on the part of the Government to adhere to the programme of recovery which has resulted in the re-opening of the Alcoa plant in Clarendon which will now be producing alumina to be sold by a government-owned company established for this purpose.

The decision to close the Alcoa plant was reached by the company on the basis of considerations which, given the current state of the world market for bauxite and alumina, made it extremely unlikely that the plant would ever re-open and certainly not in the foreseeable future. The Government has, however, rescued this operation to enable it to play a meaningful role in the future economic development of Jamaica.

The H.E.A.R.T. programme continues to expand.

— The Stony Hill Academy for Secretarial and Clerical Training, which is now operational, will be ready for total occupancy in September.

— The Portmore Academy for Training in Building Skills has been completed and is now also in operation.

— The School of Cosmetology is also operating at full capacity on two shift.

These three academies will train 1,700 young people annually.

In the course of this year, the Ebony Park Academy for training in agricultural skills will be completed, adding another 600 trainees annually.

This year H.E.A.R.T. will also concentrate on the establishment of an academy for training in tourism and catering in Runaway Bay. In addition, conversion of the five youth camps — Cobbla, Chestervale, Kenilworth, Cape Clear and Lluidas Vale — to academies will be under-taken and training programmes developed for them.

This will bring the total number of academies operative by the end of the fiscal year to ten with an enrolment of nearly 5,000 trainees per annum. This together with the 3,000 trainees in the school leavers programme ensures that 8,000 young people will receive intensive training annually qualifying them for employment and self-employment.

#### **Education**

Programmes in education continue to emphasize the construction of new primary schools to establish additional places and replace condemned structures. This programme will create 20,237 additional school places and replace 6,700 others when completed in 1988.

The objective being pursued in primary education is to create a place in school for every child, provision of a nutritious lunch for every child and textbooks in the core subjects for every child.

These three objectives are near full attainment. Already the text-book programme has been implemented, the school lunch programme will be



completed this year with the establishment of three new production centres for pastries and milk, and the school building programme is well underway to enable the feeding of 600,000 children daily.

The re-organisation of secondary and higher education will form the core of a new thrust, the structural adjustment of the educational system, now that the structural adjustment of the economy is nearing completion. This programme will be outlined by the Prime Minister in his budget presentation.

Human Resource Development is the centre-piece of government planning. However, Government, with the limited resources available, cannot undertake to satisfy all demands and will allocate those resources in a manner best able to satisfy the important areas of service.

Parity of pay for graduate teachers is being implemented in this year's estimates of expenditure. The Civil Service is to receive another substantial regrading this year. Government is well aware that even the best effort sometimes seems unsatisfactory but all our needs and demands must be within the scope of the Government's ability to pay.

The size of the Civil Service continues to be a limiting factor to the ability of Government to afford the services and compensation desired. The Civil Service has to be trimmed to an acceptable size which will streamline its performance and enable more resources to be used to fulfil the requirement for improvements in services.

### Reform

The reform in Local Government is not isolated. Similar restructuring will take place in other ministries to streamline their operations and reduce the cost of their programmes. Government cannot be expected to deliver the services required and at the same time over-burden the resources with areas of duplicated or unessential services. The establishment of a task force to examine the cost of operations of the public sector will be outlined by the Prime Minister in his budget presentation.

The administrative reform programme has been proceeding ahead of target. This programme deals with the essential reforms required to streamline the operations of the public sector. It commenced with reviewing

the Ministries of Finance and Planning and the Public Service. One of the many areas of improvement to have evolved is the decrease in pension arrears. The backlog of cases due for pension has been reduced by fifty percent. The entire Civil Service has been computerised and for the first time Government has a profile of the skills, the age groups and other essential background factors as a tool for planning the best development of skills in the Service.

### Essential Services

The conciliation machinery is operated at a level which has allowed for minimum dislocation of national productivity. The settlement of industrial disputes will be further enhanced this year by legislative action which will clarify areas of uncertainty in interpretation of essential services and will further improve the benefits due to workers in assessing retirement and redundancy compensations.

The Essential Services of utilities and transportation have been undergoing exhaustive programmes of restructuring and restoration.

The rehabilitation programme of the Jamaica Public Service Company will be completed this year and together with the additional 40 megawatts of slow speed diesel power to be installed in September will create surplus power generating capacity to allow for expansion.

Rural electrification will continue this year with a project covering 156 miles to benefit areas with a population of 20,000 residents.

### Water Supplies

The Yallahs diversion scheme to supply 15 million additional gallons of water daily to the Corporate Area will be completed shortly and the system to enable the additional flows to be distributed throughout Kingston and St. Andrew is about to commence.

Once completed, the dangerously over-used wells of the Liguanea Plain can be rested removing the risk of supplies contaminated by underground sewage pollutants.

Work is continuing on the Mandeville scheme to provide reliable water supplies for this important mid-island centre.

New schemes are in the final engineering stage for Lionel Town, Spanish Town and Guys Hill and advanced stages have been reached in developing schemes for Mocho, Pembroke,

Hall, Cave Valley/Alexandria.

The expansion programme in telephone communication is proceeding with the establishment of 3,500 new lines this year.

New buses for the recently created routes in the Corporate Area and Montego Bay have arrived and will go into service shortly now that the financing arrangements have been settled.

A radar system is being added to the capabilities of the civil aviation system to improve the ability of the air traffic controllers to ensure safety in flight movements and to detect illegal aircraft which pose a danger to flights.

Plans for the development of alternate energy sources continue to progress. A number of mini hydro schemes are to be implemented this year. Conversion of the cement company to the use of coal in place of oil has begun. Discussions have been proceeding satisfactorily on the conversion of oil-fired boilers to coal in one alumina company.

As regards to the development of the use of peat as a source of energy, the environmental reports now before the National Peat Committee have been studied by local and international institutions who have expressed the view that the proposed project should not create any detrimental environmental problems. A pilot plant to check certain aspects of the process has been set up in Negril and the equipment is now being tested.

The question of self-sufficiency in energy will be further addressed in the budget presentation by the Prime Minister.

The construction sector has been severely hit by increased building costs, credit restrictions and rising interest rates which have increased mortgage payments by home-owners. To deal with the problem of mortgage financing confronting private developers and mortgage institutions, a task force of public and private sector representatives has been established to report at an early date on methods of creative financing to contain mortgage payments within tolerable levels and to ensure a continued flow of funds into mortgage investment.

During 1984/85, there was a reduction in the level of public sector housing construction due to budgetary constraints. In this financial year,

housing construction by the Ministry of Construction will be significantly increased. Two of three prefabrication plants which will have a combined capacity of 6,000 units per annum will be commissioned during this year.

Road improvements will be a significant feature of Government's activities this year. Both the rural road improvement programme and the Kingston metropolitan region programme will be operating on a wide scale.

The rural road improvement programme will carry out improvements to some 150 miles of roads, the largest single attempt to deal with the much neglected area of rural road improvements ever undertaken in a single year. The Kingston metropolitan region programme will be the counterpart in the Corporate Area and will provide for the resurfacing of 30 miles of road, construction of 10,000 square yards of pavement, as well as the widening of strategic intersections and the installation of modern traffic signal systems. In addition, a major programme of pothole repairs will be undertaken throughout the Corporate Area.

Refurbishing and redevelopment of markets in the rural areas was completed as targeted for last year bringing the total to 19 newly rehabilitated market facilities throughout the island.

This year will also see the beginning of the development of the Kingston markets as a counterpart to the rural programme, commencing with the West Kingston market region which is the largest in the country. The programme calls for a development of the market area to accommodate 12,000 vendors of food, garments, haberdashery and craft items, an increase of 8,000 over the present level, by 1988. Some 50,000 persons shop in this area weekly under the most appalling conditions for both vendors and shoppers. Included in this project is the establishment of overnight lodging facilities for country vendors who have over the years been forced to sleep in the inhuman conditions of the market place. Respect for our women demand nothing less of us.

The welfare of those who are dependent on Government to ensure that proper levels of shelter, nutrition and care are maintained for all our citizens, continues to be the focus of attention of Government.

Last year the Government completed the model home for the elderly,

the Golden Age Home, accommodating some 500 elderly indigents who at the Eventide home were existing under barbaric conditions. This year, the project will be completed with the construction of an administration centre.

#### Food Aid

The Food Aid Programme will reach full implementation shortly with distribution of stamps to all who have qualified ensuring that the 200,000 indigent receive food aid and as many mothers and pre-school children who qualify. In all, up to 400,000 persons will be given nutritional assistance to cover most protein and energy requirements.

The health services of the nation have been the focus of much attention in the past year as a result of the closure of hospital facilities and the introduction of fees. These steps became inevitable because of the need to reduce the overhead costs of government. In the imposition of fees Government ensured that those who were unable to afford payment were accommodated. To ensure this, all persons registered under the food aid programme are allowed hospital services free of charge.

Nineteen new clinics have been completed since 1981 and 2 additional clinics will be constructed this year.

A new public health laboratory will also commence construction this year.

The family planning programme will be boosted this year with additional funds to enable it to step up its programme of work to reduce population growth to manageable levels.

In keeping with the emphasis of public health programmes, Government continues to develop the thrust against drug abuse. The legislation is now in place to deal with unlicensed airstrips. Action by the security forces has already demolished 16 of some 30 airstrips identified for demolition. The remainder are demolished in an ongoing programme. Continuing surveillance will take place to ensure that these airstrips remain out of operation. Radar screening will become operational this year to assist in detecting illegal flights. Eradication of major cultivation fields of marijuana have reduced cultivation by some 1,500 acres since the beginning of this year.

Government is determined to ensure that the health of the nation, the tourism industry, the efforts to build exports in agriculture and industry and the reputation of airlines and

ships departing from Jamaica are safeguarded from the harmful consequences of the illicit drug trade.

The National Council on Drug Abuse will become more prominent this year in dealing with the overall programme.

#### Inter-linkage

Last year a detailed presentation was made to the nation on the inter-linkage of crime, politics and subversion that expose has had a pre-emptive effect on some offenders and some of those who plan subversive strategies. Nonetheless, Government is aware that the motives of those who plan to damage the economy have not been diverted from the purpose of their mission. They shift their attention from place to place in an attempt to perpetuate a trail of damage to sensitive areas of the economy and to secure financial gain to foster their plans.

The security forces have taken timely action in many instances which has frustrated these destructive plans. But public opinion needs to assert itself more effectively to make certain that those who seek to disrupt the stability which was being so carefully rebuilt will understand that their mission is known and that public condemnation can be a stronger force than legal sanctions.

The on-going efforts of the security forces to contain violence will achieve better results to the extent that they receive the support of all law abiding persons.

Government recognises the need to improve the facilities which enable the force to operate effectively. The new police academy was opened at Twickenham Park last year and in addition a Police Staff College established offering training for officers.

#### Legal Reform

The Defence Force will receive support to improve barracks accommodation and a new coast guard vessel will be added to the fleet this year.

As regards legal reform, last year recorded further steady progress in all aspects of the work of the Law Reform Division which I outlined in my last Throne Speech. In the area of Family Law, a bill to effect reform of the legislation relating to divorce and other matrimonial causes is now being drafted. In the area of penal reform, the passing of the Corrections Bill in April by both Houses of Parliament, marks a significant step forward in the process of the rehabilitation of offenders and their re-integration into society.

The commitment of the Government to the principles of democracy is certainly beyond question. Jamaica has played a decisive role in the restoration of human rights and parliamentary democracy in Grenada, culminating in the holding of free and fair elections. Participation by Jamaican forces in the liberation of Grenada has now been fully vindicated and Jamaica's Military contingent will be home by June having discharged its duties in a manner which has brought credit to the nation.

At home, the occasion of the International Year of Youth was marked by the holding of the International Youth Conference which afforded the opportunity for the youth of the world who subscribe to the principles of true democracy to meet and exchange ideas and experiences for the first time in an international forum.

A bond was made here in Jamaica by the International Youth Conference which will be the basis for the establishment of a permanent international network for democratic youth. The democratic system, powerful as it is in the minds of men, has never nurtured its young minds. The Jamaican initiative has given the international democratic system a cradle.

#### **Cultural Programmes**

Recently, Jamaica experienced a feast of cultural activity on the occasion of the presentation of the World Youth Festival of Arts in conjunction with the International Youth Conference. Jamaicans and performing artists from countries on every continent offered the richest variety of cultural programmes ever presented in Jamaica.

The completion of the second Bob Marley statue was marked with the installation of the completed work in Celebrity Park. The George Headley statue is the next project in the series and will be commissioned this year.

The feasibility study of the Seville project will commence this year as a prelude to loan financing; on the other hand the Port Royal project is more advanced and loan financing of this project is programmed for next year.

The wide range of government programmes and projects cover every aspect of development impacting on the lives of all. These programmes are in many instances supported financially by bilateral and multilateral agencies representing external interests in the recovery and development of Jamaica.

The agencies are many: the World Bank, International Monetary Fund, the Inter-American Development Bank, the Caribbean Development Bank, the European Development Bank and the United Nations group of agencies.

The countries represented by development agencies assisting Jamaica are also many: US/AID; Canada/CIDA; UK; Federal Republic of Germany/KFW; government of Japan/OECF; Government of Italy; Government of France; Government of the Netherlands; the Saudi Fund for Development; Government of Sweden/SIDA; Government of Spain; and the Government of Norway.

In addition, the purchase of oil is by special consessionary arrangements with the Governments of Venezuela and Mexico.

Special lines of credit are available from the USA, UK, Canada, Israel, Colombia, Brazil, South Korea.

All this is revealing testimony to the success of the approach of the Government of Jamaica in creating a climate of goodwill and understanding with a wide range of international interests, enabling domestic and foreign policy to work in close harmony, not in conflict, and to ensure that, as a nation, Jamaica's external relationship with friendly states is a solid foundation of strength in our struggle for recovery.

#### **Foreign Policy**

Jamaica has many friends in the international community who have greatly assisted our cause. We too, in our small way, have extended our hand to other countries including Grenada, Kenya and Uganda in technical assistance; to aid famine relief in Ethiopia; and to support the liberation struggle in Africa against the inhumanity of Apartheid.

Government continues to blend its policies in its external relations to reach out regionally to Latin neighbours and within the sub-region to Caricom brothers; to the industrial world of trade and financial partners, and third world interest.

This has been the span of our foreign policies encompassing trade with countries with whom there is a mutual advantage to be gained whether ideologically of like mind or not.

Jamaica's support for the United Nations system has been consistently strong over the years and that commitment is now renewed on the 40th anniversary of the United Nations this year.

But as others help us so too we must help ourselves. Times have been very difficult for those unable to shoulder the increased burdens which we must all share to put our country back on its feet.

It is not for Government alone to help those who can least help themselves. It is for all of us a responsibility which we must not forget.

Much has been accomplished to build a sure and strong foundation, but at great cost to many individuals. As new strength is gained from the foundations now being established a better future will emerge, and it surely will as the signs are there.

The past year has been a great challenge; from meeting that challenge Jamaica has drawn new strength.

The year has been one of disappointment; from this people have learned new ways to bear the burdens and share the struggle.

And it has been a year of triumph over adversity as the nation faced its problems with courage.

The year ahead will call on the inner reserves of good character and loyalty to a common cause. The courage of conviction will be tested to the fullest measure.

Let each one examine their hearts and ask what they truly wish for our Jamaica.

Is it to be pleased regardless of problems? If so, comedians will help to lead the way.

Or is it to find true solutions knowing that for every lasting step in the journey there is a cost to bear, and a burden to share.

Ask yourself what you truly want for Jamaica and your convictions will be made clear.

May God grant us wisdom in our decisions.



JAMAICA

## RESORT AREAS TO BE PRIME TARGET IN DRIVE AGAINST DRUGS

Kingston THE DAILY GLEANER in English 7 May 85 p 1

[Text]

**T**OURIST RESORT AREAS are to be one of the prime targets in an assault on cocaine use, to be led by the National Council on Drug Abuse.

This was the high point of the statement by Senator, the Hon. Oswald Harding, Chairman of the Council, at launching of the National Exhibition on Drug Abuse at the Kingston and St. Andrew Parish Library yesterday. The exhibition, highlighting the dangers of drug abuse, will continue for three weeks at the library and will move to Montego Bay on June 3.

Senator Harding said that cocaine was to be a major area of focus in the outreach campaign because it was the dangerous drug in local use which was being brought in largely by visitors to the island.

The Council, he said, was planning to launch a major outreach programme in tourist resorts "which have demonstrated a high level of susceptibility to the illegal use of drugs."

In the tourist areas, the Council was not so much concerned with ganja because it was something local. Rather, it was concerned with the influence of other types of drugs, notably cocaine, which was being introduced mainly by visitors.

Details of the programme are to be announced shortly and it will involve hotel managers, workers, vendors and tour operators.

Senator Harding said the incidence of drug abuse was becoming increasingly threatening and the first step was an educational programme of awareness. The situation in the country highlighted the urgent need to increase public awareness of the dangers of drug abuse and the exhibition represented a new phase in the ongoing programme by the Council.

He disclosed preliminary findings from a recent survey indicating that among drug users, persons who take ganja accounted for 78.6% of the

sample. The second largest group was the cocaine users — 6.35%; followed by users of tranquilisers — 4.76%. Users of inhalants and volatile substances and amphetamines accounted for 3.87% and 3.17% respectively.

Senator Harding said the survey carried out by the Council was to be followed by another in conjunction with the Pan American Health Organisation.

Though the figures were cause for concern, even more menacing was the general attitude in the society towards drugs, he said. The survey also revealed that only 26% of those interviewed thought the abuse of drugs had a negative effect on their health. In other words, one out of every five drug users had adopted a positive attitude toward his habit.

Preparations were announced for a major training programme to start in July, sponsored by the United Nations Fund for Drug Abuse. Senator Harding emphasised the need for co-operation among regional neighbours and the international community in tackling the drug

problem. He proposed a Caribbean conference to review national policies and problems and provide support for programmes of prevention, treatment and rehabilitation. He said there was a frightening situation in Jamaica where there were no facilities to deal with after-care of drug users.

Senator Harding appealed for support to fight the problem, calling particularly for vigilance in respect of the national airline and exports. The reputation of the airline and efforts to improve the agricultural exports were being jeopardised by the frequent discovery of ganja on aircraft and containers bound for foreign ports.

JAMAICA

## EXPORTERS URGE TRINIDAD TO RELAX TRADE BARRIERS

Kingston THE DAILY GLEANER in English 10 May 85 p 3

[Text]

Rapid reconciliation of the problems which have forced closure of the Trinidad and Tobago market to its CARICOM partners is seen as necessary to a return of viability in the regional market by the region's exporters.

This view was expressed recently by Mr. Claude Clarke, President of the Jamaica Exporters' Association, in an address to a marketing seminar at the College of Arts, Science and Technology.

Tracing the course of the "unfortunate developments" which have resulted in stagnation of regional trading, Mr. Clarke said: "There is no denying the desperate need for the CARICOM market in order to restore the viability of export competitiveness of many Jamaican companies. CARICOM, as an extension of the domestic market, provides our local manufacturers with a chance to spread their overheads, and a springboard of competitiveness in penetrating the third country markets."

Mr. Clarke said he was pleased to note that after a period of mistrust and discord, the situation within CARICOM and in particularly between Jamaica and Trinidad seemed poised to be resolved.

"During numerous discussions which have taken place, culminating in the Council of Ministers'

Meeting in Guyana last month, conditions have been laid down for Trinidad to remove the barriers which it imposed in retaliation to Jamaica's devaluations. Today I am happy to say all of these conditions have been met or are in the process of being met," Mr. Clarke said.

"Jamaica has done everything it can to accommodate the requests made by Trinidad and honour our part of the Nassau Agreement. We now have no reason to doubt that Trinidad will remove the obstacles to trade which they have implemented. We look for the dismantling of the licencing system and removal of the ECO requirement for CARICOM imports to Trinidad," Mr. Clarke said.

Mr. Clarke suggested that Jamaica moved forward on its own initiative to cement the political dialogue with Trinidad which would ensure a full and lasting resolution of the issue.

"Barbados has done it with great success, and so can we," he said.

"We have opened our markets completely to CARICOM imports, removing all barriers. With the 30% additional stamp duty on consumer imports from third countries, and the 20% on capital goods, we have applied the requirement of the Nassau Accord (from which Jamaica was exempt) to increase barriers against extra-regional imports.

"The new 10% additional stamp duty on raw material imports, which will apply to our exports to CARICOM, indirectly complies with the demand for a countervailing duty on our exports to CARICOM, to re-establish equilibrium between our basic production costs and theirs," Mr. Clarke said.

CSO: 3298/738

JAMAICA

BAUXITE-ALUMINA INDUSTRY LOWERS PRODUCTION COSTS

FL290950 Bridgetown CANA in English 2229 GMT 28 May 85

[Text] Kingston, May 28--Jamaica's bauxite/alumina industry has cut its production costs significantly over the past three years but remains at the back of the pack against its competitors, according to a senior industry official here.

The problem is that everybody has cut their costs, said Jerome Broussard, general manager of the 1.1 tonne [as received] capacity Alumina Partners (Alpart) refinery here.

You run as fast as you can, but you are still at the back of the pack, Broussard told a Press Association of Jamaica (PAJ) organised forum on the sector in the central town of Mandeville, headquarters for both Alpart and the Alcan operations here.

Jamaica overall is the highest-cost bauxite/alumina producer internationally and, as a result, has suffered more than other countries from the soft aluminium market of the past three years that has slashed demand for bauxite and alumina.

Three years ago, analysts estimated that at an average of U.S.210 dollars a tonne, the island's alumina plants were 20 per cent more expensive than international average. I don't think those percentages have changed, Broussard told CANA in a telephone interview today.

Last June, Reynolds ended its bauxite mining operations in Jamaica, saying it could get bauxite cheaper elsewhere, and in February the Aluminium Company of America shut down its 800,000-tonne capacity refinery, which is being re-opened by the Jamaica Government.

Broussard's own company, which is owned by Kaiser, Reynolds, and Atlantic Richfield, was recognised as Jamaica's highest-cost alumina producer, but the general manager said that the plant has been able to reduce its figures by about a third. Broussard, however, declined to give specific figures.

Alpart has been able to reduce costs by employee retrenchment--one method that has been common to all operators here--increased efficiencies at its plant and relocation of its mines to an area of much higher quality bauxite.



The improvements cost over U.S.100 million dollars in investment, but Alpart's future remains uncertain because of the decision by Atlantic Richfield to pull out of the metals business and the difficulty so far in finding someone to take up its shares.

Broussard would not be drawn out on the future of his company, but said: What we are doing to keep open is that we have been cutting our costs and are attempting to cut them further. This is the key to survival in any kind of commodity.

Both Broussard and Alcan's vice president and Jamaica general manager, Dr Keith Panton, argued that the easiest and quickest way for Jamaica to reduce its production costs would be the removal or lowering of the bauxite production levy.

The levy was introduced in 1974 by the former Michael Manley government and pitched at a rate of 7.5 per cent of the average realised price for primary aluminium ingot. But the transnationals argued that it made the Jamaican product expensive and was one of the reasons for a shift of investment from the island.

Manley lowered the levy in 1979 and, at its expiry last year, it was redrafted by the Edward Seaga government, giving a range of benefits to the companies and putting the emphasis on higher production for lower payments.

Nonetheless the industry remains in the doldrums, with production, which was at 12 million tonnes in 1980, not expected to be more than eight million tonnes this year.

Broussard and Panton said the companies were in constant contact with the government over the levy, which over the past decade has earned for the country approximately 1.5 billion dollars.

The Jamaica Government has been telling the companies to convert oil to coal to cut costs. Oil at 40 per cent is the highest cost in bauxite/alumina production, followed by the levy at 27 or 28 per cent.

However, the two industry officials say that with the present oil price, the investment outlay required for conversion, and prevailing interest rates, conversion was not a first option at this time. It would cost over U.S.100 million dollars per company to convert, they said.

CSO: 3298/738

JAMAICA

## CARL STONE HITS U.S. 'CONTEMPT' FOR THIRD WORLD PEOPLES

Kingston THE DAILY GLEANER in English 8 May 85 p 8

[Article by Carl Stone: "Reagan and Nicaragua"]

[Excerpts]

Having failed to get the necessary support from the Congress to increase the financing of the anti-Nicaraguan rebels, U.S. President Reagan has clearly embarked on a new game plan. The objective is to so pressure the Nicaraguan government economically that Ortega and his colleagues are forced into the arms of greater Soviet and Eastern European economic ties. This, it is hoped, will give Reagan the political ammunition he needs to stampede U.S. congressional and public opinion towards supporting his efforts to undermine the Nicaraguan government.

What President Reagan is doing is nothing short of dishonesty and hypocrisy masquerading as a morally upright anti-communist crusade. The objective is supposed to be anti-communism but in order to make the case against the accused Sergeant Reagan tempts the suspect into committing the crime by a calculated act of economic aggression.

The claim that Nicaragua is subverting the Central American region is now no longer credible. Both the U.S. and Nicaragua have intervened in El Salvador in what is essentially a local struggle for power between antagonist ideological tendencies. Neither can therefore claim or stand on any moral self-righteousness of

the sort that Mr. Reagan is posturing. None of the other countries in the region has come out in support of the U.S. claim about Nicaraguan subversion. Honduras, Costa Rica, Panama and Mexico have by their silence exposed the falsehood of the U.S. claim.

There is something obviously vicious about a big industrial country of over 200 million people trying to starve out a small country with less than 3 million people on the grounds that the friends they keep represent a threat to security to both the U.S. and the region.

### Reagan's contempt

I hold no brief for Marxists or marxist regimes but there is something unacceptable about President Reagan arrogating to his government the right to decide who the friends of the governments in the region should be and what ideological complexions are going to be acceptable or unacceptable to imperial America in its great wisdom.

Of course Reagan is more than a militant anti-communist. All U.S. presidents in recent time share that points of view, be they liberal or conservative. What in my view impels Reagan to go several steps further in the methods he uses to curb

communism is his deep contempt for third world people, non-whites, and all interests that do not subscribe to the divinity of the great American cause.

As the U.S. President whose policies most mirror in recent times deep currents of anti-black sentiments in the U.S. and as a lawmaker with a consistent record of voting against pro-black civil rights legislation, Mr. Reagan's contempt for the Third World has to be seen as an extension of his positions towards non-white minorities in the U.S.

His refusal to respect world opinion on the issue of South Africa and his consistent embrace of white racists in that country adds further colour to his true ideological complexion on Third World issues.

His aggressive policies towards Nicaragua must therefore be challenged by all countries in the region that are opposed to being bullied and pushed around by major powers regardless of their ideological labels.

The freedom of Third World countries to make their own choices and learn from their own mistakes is not something to be trifled with lightly. The government in Managua was recently elected by the people of that country by methods which have been evaluated as fair by impartial observers.

By seeking to subvert a duly elected government which enjoys majority support (in spite of strong pockets

of internal opposition), Mr. Reagan is demonstrating his usual contempt and disrespect for Third World people. At one time the absence of elections was made one of the major issues used to discredit the Nicaraguan government. Since that election was held and favourably judged by imperial international observers, that issue has been buried and the phoney issue of alleged subversion of the region fabricated to entrap the Nicaraguans and their government in Mr. Reagan's anti-communism net.

In the face of this act of economic aggression, the non-capitalist countries of the world and especially the Soviet Union and other Eastern European countries have a moral obligation to rally to Nicaragua's aid. The less bigoted countries of capitalist Western Europe also have a moral duty to help out a small country whose very survival is threatened by the political machinations and calculated aggression of a scheming, hypocritical bully who should not be allowed to throw his weight around in this fashion.

CSO: 3298/738

JAMAICA

TWO ARRESTED WITH COMMUNIST LITERATURE, WEAPONS

Kingston THE DAILY GLEANER in English 21 May 85 p 15

[Text] Police have arrested a man and his fiancée and charged them with unlawful possession of property following the seizure of several army-type uniforms, communist books, maps and other articles in a raid in St. Andrew.

A release from the Police Information Centre said that a special police task force set up to combat reported cases of robberies on minibuses in the Corporate Area intercepted a minibus along Orange Street about 8.20 Thursday night and during a search of its occupants one 9 mm semi-automatic pistol with two rounds was seized and one man arrested and charged.

He gave his name as Ray Scott, 25, of Daytona Drive, Patrick Gardens, and claimed to be a social worker and member of the Communist Party of Jamaica, PIC said.

As a follow-up on investigations, a raid was carried out at Daytona Drive where a number of army-type uniforms, communist books, maps of several areas of Kingston and St. Andrew, high-powered binoculars, television sets, cassette tape decks and cassettes as well as other household articles were seized.

Scott's 24-year-old fiancée, Nislia Knox, was held and charged jointly with Scott with unlawful possession of property. It is believed that the articles found were stolen and the police are awaiting identification of these articles while further top-level investigations continue, the PIC said.

CSO: 3298/738

JAMAICA

#### BRIEFS

NEW AGRICULTURAL UNIT--A Science, Technology and Research Department has been established in the Ministry of Agriculture. The new department has been set up as a result of the merger of the former Ministry of Science, Technology and Environment with the Ministry of Agriculture. The department is headed by an Executive Director, Dr. Henry I.C. Lowe. Dr. Lowe was Permanent Secretary in the former Ministry of Science, Technology and Environment. Subject area responsibility of the new department encompasses Science, Technology, Environment, Agricultural Research and Development. The major purpose in setting up the department is to give as much flexibility and autonomy as possible in the direct management and execution of the programmes falling under the department's responsibility, a JAMPRESS release said. The Executive Director will be responsible for all areas related to Agricultural Research and Development, the Scientific Research Council, the Food Technology Institute and the Natural Resources Conservation Department. [Text] [Kingston THE DAILY GLEANER in English 10 May 85 p 12]

CSO: 3298/739

MEXICO

#### INCREASED SUPPORT FOR ASSEMBLY PLANTS ORDERED BY PRESIDENT

Mexico City EXCELSIOR in Spanish 21 May 85 p 4-A, 30-A

[Text] Last night, the president of the republic issued instructions to the state secretariats to increase their support for the assembly industry so that, in coordination with the private sector, they could aid the development of that activity, a major generator of foreign exchange and jobs.

De la Madrid added that the development of the assembly industry was a priority in the context of the government's economic policy, commenting that our nation, owing to its geographical location and its easily trainable supply of labor, could compete advantageously with the world's traditional centers of the assembly industry.

He said that, in addition to attracting investment, the assembly activity would provide foreign exchange and jobs; and it could pave the way for a process of transfer of technology that might serve as a stepping-stone toward other more complex native industries.

The foregoing statement was made by President Miguel de la Madrid at the end of a work meeting with the representatives of the assembly industry held at the official residence at Los Pinos.

The leader of the assembly workers, Sergio Bermudez Espinoza, informed the head of the nation that the assembly industry in Mexico supports 200,000 jobs and, in 1984, generated an added value of \$1.3 billion.

He claimed that this activity has become the sector with the greatest expansion with respect to the creation of jobs; because it has created 50 percent of the new jobs in the national manufacturing sector.

Bermudez added that 88 percent of those jobs are located on the northern border strip.

During the meeting on analysis and forecasts for development, the assembly industry representatives demanded that the federal government create an infrastructure for industrial growth, based on the presumption that it is necessary to take the assembly activity into the interior section of the country, by teaching foreign industry how to operate in Mexico.



The manufacturers also asked President De la Madrid to enact a border emergency plan that would help to promote the assembly industry.

Bermudez remarked that there must be a reactivation of the financial mechanisms that will make it possible to expand the appropriation of funds for low-cost housing in the border zone, and constant backing for the effort, already announced, on the part of the telecommunications industry.

That work session was attended by the secretary of finance, Jesus Silva Herzog; the secretary of planning, Carlos Salinas; and the secretary of commerce, Hector Hernandez.

Ernesto Fernandez Hurtado, in charge of the Nationalized Banks Committee, for his part, submitted to those attending the meeting some concrete ideas which, if put into effect, would lend a greater impetus to the assembly industry in the republic's northern border zone.

2909

CSO: 3248/404

MEXICO

# VOLKSWAGEN EXPORT POLICY CHANGE TIED TO PESO SLIPPAGE

Mexico City EXCELSIOR in Spanish 20 May 85 pp 22-A, 29-A

[Excerpts] Puebla, Pue., 18 March--Owing to the insufficient movement in the peso, with respect to the dollar, in its production the German firm Volkswagen will stop exporting complete vehicles, in view of its loss of competitive status on the market. For this reason, it plans to increase engine exports by 50 percent. The demand for vehicles in Mexico is stable.

At a press conference with the German American Chamber of Commerce and the president and vice president of Volkswagen in Mexico, Hans Barschkis and Martin Josephis, accompanied by the Chamber's deputy general director, Bernard Veltrup, it was remarked that the industry is not working at its full installed capacity.

Moreover, the cost of the vehicles has been affected by the 25 percent hike for iron and steel. It was claimed that the industry received an increment of 6.5 percent in March, but when compared with the inflation index of 19.4 percent announced by the Bank of Mexico in April, it shows that the company's position stands below the national inflation, they commented.

For this reason, it is very important for the federal government to curb inflation and for manufacturers to do everything possible to cooperate. They said that this would be done, in their case, but that they will not be able to go on all year with the 6.5 percent rise in the price of the vehicles, because it would jeopardize the production plant.

As for inflation, they claimed that a unified effort was required by the entire country to make 1986 a better year for everyone.

They argued that their company has fulfilled all the terms of the Automotive Decree for compensation in foreign exchange; in other words, for every peso that they import, they have to export at least one more. Regarding the possible elimination of one of their models, they observed:

"Volkswagen has three model lines, and the decree is legalized; however, there is a series of conditions allowing us to have three. If the sedan is eliminated, Mexico will be left without 40,000 units per year, and no competitor is producing at that level (they claimed)."

The intention of the decree is to ration, but in the case of those models which serve no purpose on the market.

Furthermore, the integration of the sedan in Mexico is very widespread and, if it were discontinued, much of Mexican industry's production capacity would be removed. The sedan is by now considered a Mexican car, and the decree itself offers opportunities for this type of vehicle.

The range of models is well represented, and geared to the demand in the country. Of the four most economical models in Mexico, three are Volkswagens. "We are within the regulations," they claimed.

That company, located in this state, produced 110,000 cars this year, and employs 15,000 persons. Hence, it represents an important base for the state's economy. The company's payroll and benefits alone amount to 8 billion pesos per month. If that number were not produced, it would have a negative impact upon, and cause a partial standstill in Puebla's economic existence.

With regard to the domestic market, there was a decline from 1981; nevertheless, in 1984 a substantial recovery occurred; and, this year, the industry as a whole expects to sell 240,000 units. Currently, the content of these vehicles is 70 percent Mexican and 30 percent imported input.

In conclusion, they noted that the demand for the sedan has dropped in Europe, and the plant in Germany will, furthermore, produce a special model to mark the 50th anniversary of Volkswagen. All of this has contributed to a decline in sales of finished vehicles on that continent.

Finally, they stressed that the investments would continue in their company, because they are continuing to grow as an industry.

2909

CSO: 3248/404

PERU

APRA ECONOMIC, SOCIAL, LEGAL PROGRAM ARCHITECTS

Lima PERU ECONOMICO in Spanish May 85 pp 3-4, 6

[Text] APRA [American Revolutionary Popular Alliance] and Government

Divided into Economic Area, Social Area and Legal-Political Area, these are the new teams in charge of detailing the APRA government's main programs, which will come under the coordination of Luis Alva Castro.

Economic Area

1. Agriculture and total development of the rural areas: Javier Tantalean (in charge), Jose Vivas Iberico, Washington Zuniga.
2. Fish catching and marketing program: Fernando Chaparro (in charge), Walter Pinedo.
3. Total low-cost food program: Jorge Garcia Pazos.
4. Industrial reactivation and restructuring program: Gustavo Saberbein.
5. Energy program: Alberto Vera La Rosa (in charge), Abel Salinas.
6. Mining investment and development program: Wilfredo Huayta.
7. Export expansion program: Milton Guerrero.
8. Domestic trade program: Carlos Huamanchumo.
9. Tax program: Armando Zolezzi (in charge), Miguel Quiroz.
10. Emergency program: Cesar Vasquez (in charge), Tulio de Andrea.
11. Transportation program: Cesar Robles.
12. Financial system proposal: capital market and monetary program: Jose Salaverry.

13. Foreign debt restructuring proposal: Guillermo Castaneda.
14. Public enterprise organization and management proposal: Jose Palomino (in charge), Mario Barturen, Raul Delgado.
15. Budget program: Enrique Cornejo.
16. Cooperative reactivation and development program: Luis Rodriguez Vildosola (in charge), Elio Horna.

#### Social Area

1. Mass employment program: Victor Lopez (in charge), Jose Linares Carbonetto, Edgar Flores.
2. Community and labor stability treatment: Romualdo Biaggi (in charge), Alfonso Gonzales del Riego.
3. Social security program: Jose Barsallo (in charge), Meliton Arce.
4. Health care program: Manuel Pizarro (in charge), Luis Pinillos, Tulio Velasquez.
5. Education program: Hugo Garcia S. (in charge), Rolando Andrade, Mario Cama.
6. Slum and low-income urban development program: Cesar Rodriguez Rabanal.
7. Scientific and technical development program: Carlos del Rio.

#### Legal-Political Area

1. Justice and ethics program: Camilo Carrillo (in charge), Francisco Mujica.
2. Internal security and national pacification program: Gen Gallegos Venero (in charge), Cesar Garrido Lecca.
3. Administration of justice mobilization program: Francisco Mujica (in charge), Camilo Carrillo.
4. Corporations, and regional government decentralization and operation program: Raul Lizarraga (in charge), Cesar Solis, Pedro Coronado, Luis Chavez.
5. Communication and information program: Hugo Otero.
6. People's participation program: Carlos Franco.
7. Cultural program: Fernando Cabieses.
8. Population and youth program: Victor Lopez.
9. Sports program: Lastenio Morales.

2909

CSO: 3348/721

PERU

PERU ECONOMICO EDITOR WRITES OPEN LETTER TO NEW PRESIDENT

Lima PERU ECONOMICO in Spanish May 85 pp 1-2

[Text] Open Letter to the New President of Peru

Basadre called Peru a country with too many missed opportunities; a disparate, unequal country, in a state of formation and ferment; a country of clashes and mixtures, of often misspent wealth, of sudden great hopes and long silences, of wild excitement and quick forgetfulness.

Macera calls Peru a country yet to be translated, in which everyone wants to be something different from what he is; a country of profiteers which, nevertheless, is, at the same time, and luckily, a country yet to profit; a country which deserves far more than it has achieved; an interrupted, cyclical country, unresigned and irrevocable, currently caught in an atmosphere of uncertainty, violence and fear.

The political reality in any society, but particularly in present-day Peru, is replete with acute contradictions. A first one arises because every human being, regardless of his destiny and desire, depends upon others for his social existence. The desire for independence and the legitimate aspiration for freedom often prove incompatible with the actual dependence that every individual has upon others.

The natural instinct for justice that man has brought to the world with his soul constitutes a second cause for conflict when it is grossly contradicted by the difficulty in fulfilling it. Peruvians are born unequal, although many of us feel that they should be more equal.

To be completely realized, these aspirations for freedom and justice require an order, in other words, a power. A third contradiction is generated because all human power has an innate tendency toward abuse. It has been proven that, without power, there can be no order, and hence no possibility of reconciling freedom with justice. With power, however, the abuse of power is generated, which in turn erodes freedom and justice.

Governing consists, I think it must consist, of finding reasonable, human responses to this mystery which are geared to the time and place. For this



purpose, in present-day Peru, it is necessary, first of all, to accept and confront what we are: a poor, pluralistic, immature country which does not realize what it could be, which does not realize what it wants to be and which, in order to cope with one of the most acute crises in its history as a republic, needs a consistent, systematic ordering of goals, ways and means, a process that is so alien to its nature and culture.

Mr President, in order to progress during the next 5 years, Peru does not require substantive constitutional amendments, nor floods of new, advanced laws, nor the elaborate design of innovative projects. It does need, and badly, a substantial improvement in the efficacy of its present institutions and enterprises, now so weak and mistreated, through a process wherein they themselves know how to question their management, goals and purposes, in the context of a perspective that the government must outline for a realistic, but visionary perception of our future potential, regardless of the heavy burden of everyday problems and the warranted fear concerning our existing limitations. We read in a novel by now a century old, wherein we Peruvians can see ourselves depicted: "We Spaniards, aware of the possible instantaneous victory of one idea over another, absurdly believe that the idea can win over customs with the same speed. We change laws, but not reality. And time has created the customs with as much patience and slowness as it has created mountains. Only time, working one day after another, can transform them."

In that change, it will be necessary to maintain two indisputable accomplishments of the present government: the total freedom of the press and information, and the democratic alternation of authorities, through irreproachable elections. If democracy is government by public opinion, there is no real democracy where total freedom of speech does not exist; because elections presuppose an electoral body free to choose the opinion that it is going to select, and if there are banned opinions, there is no selection, and if there is no selection, there are no elections.

"What political system do you have here?" A Spanish philosopher recounts that he asked this question of an Uruguayan who was on board with him entering the port of Montevideo years ago. The latter replied: "There are two parties here: one consisting of all the decent, active, patriotic people in the country, and the other consisting of idlers and scoundrels." He added, with great wisdom: "Our problem is that we don't know which is which."

And the fact is that faith in something, it doesn't matter much what it is, always gives an impetus for the creation of a church, through collective action; and every church ends up needing a sacristy. And as soon as one becomes careless, as happened to Popular Action during the past 5 years, the faithful find that the church has ended up being greater than the faith, and the sacristy far more important than the church.

Mr President, carefully inspect the inventory that you have received, but don't be hard on the one caught. The penalizing courts end up arousing compassion and sympathy for the accused. The public is well aware who has been honorable

and who has not. Let the brunt of the law fall upon the latter, but applied according to the regular procedures, and by an independent judicial branch. Do severely prosecute those backers of yours (and they are not lacking) who commit crime; and say "I was wrong" every time you think that you have made a mistake, but especially when someone betrays your confidence. The people will not judge you by the claims that you may file while in power against your adversaries, but rather by the virtue that you demand of your friends. According to Plato, politics is the art of tending herds of two-legged animals. As necessary as tying with divine bonds the immortal part of their souls is to tightly fasten their animal part with human bonds.

Your essential task is to select: goals, priorities, individuals and systems; not to spread yourself thin developing details or analyzing them. If, in order to project a new image or to impress the naive, you want to replace Fernando Belaunde's palace dummies with multicolor screens of sophisticated computers, all well and good, and enjoy them; but, in order to govern, you would be better served by an old coin, a sol which would enable you to decide, heads or tails, on all those dilemmas wherein your judgment ends up conflicting with your instinct, because at times like the present, the worst mistake would be to fail to choose.

And may you have luck. Your adversaries who, during the election campaign, persisted in describing, with an effort worthy of a better cause, the phantasmagoric misfortunes that would hover over Peru in the event of your heralded victory, would not require much imagination to paint the future picture of our country in the event of your failure. The alleged leap into the void which they claim your election constituted did not fail to cause anxiety among those who voted for you. But this was surmounted by the instinct, dating back to earth's creation and the flood, of a people who, upon nominating a president for the next 5 years, harbor the secret hope of having started the formation of a statesman for the next 40 years.

2909

CSO: 3348/721

PERU

# ARMED FORCES ESTABLISH NEW HIGH COMMAND RANKS

Lima EL COMERCIO in Spanish 2 Jun 85 Dominical p 11

[Article by Julio Carracedo: "Did You Know That There Are New Generals and Admirals?"]

[Text] On 13 December of last year, Congress established new military ranks in the country, ranking higher than the present ones. For example, whereas a short while ago the brigadier and division generals were the ones with the highest rank in the Army, now there is a higher one, called simply "general of the Army."

Based upon this special congressional resolution, there are now only two new chiefs boasting this very high rank. They are, of course, the ones currently holding the posts of minister of war and commander in chief of the Army.

New ones, the highest ranks, have also been established in the Navy and the Air Force. In the latter, the highest rank is no longer lieutenant general; there are at present two generals of the Air Force, minister and commander in chief, respectively, above that rank.

The same thing holds true of the Navy, where there are two new admirals. In this instance, they are not the only ones. This high-level title was already given to a member of the Navy. Now, the minister, the commander in chief and the legendary Admiral Miguel Grau hold the same rank.

Since mid-December, the brand new generals and admirals of our Armed Forces have been showing some new insignia, including caps, badges and uniforms which establish the visible distinctions among the top military ranking.

To learn the reasons and underlying causes of the change which, incidently, went almost unnoticed by the public, DOMINICAL attempted to interview the head of the Armed Forces Joint Command, Air Force Gen Cesar Enrico Praeli.

In the end, it proved impossible to hold that interview. We were asked, rather, to send a list of questions which General Praeli kindly answered.

These are the questions and answers exchanged between the reporter and the general, with time and distance intervening.

[Question] General Praeli, on 15 December of last year, Congress established new military ranks. How was that initiative carried out; was it possibly a unique request from some political party?

[Answer] As for the initiative, no political party had it. According to Article 190 of the Constitution, consistent with Section 8 of its Article 211, the honorable president has a right of initiative in forming laws; and therefore, when the Armed Forces bill was approved by the Council of Ministers, at the 30 November session, it was sent to the legislative branch.

(Previously, the general wrote that the date cited in our question was not accurate, that the law was issued on the 13th, promulgated on the 14th, published on the 15th and has been in effect since the 16th.)

We had written, asking:

"What are the reasons that were put forth for the establishment of these new ranks?"

The general replied:

"According to Law 20765 on Military Status, the highest rank that existed in the Armed Forces was that of division general, vice admiral and lieutenant general, in the Army, Navy and Air Force, respectively. These ranks were held by the officers who occupied positions in the high command, formed by the minister and the commander in chief. Since, for reasons of organization and discipline, the military institutions have a vertical organization, and there are other officers in it also who held the same ranks, it became necessary to distinguish between the officers and the high command. These are the institutional grounds for the different titles."

We wrote, inquiring:

"What military reasons warrant the new ranks?"

In his message, the general said:

"Comparative jurisprudence was taken into consideration. In all the South American countries, with the exception of Bolivia, there is another rank. In some instances, it is held only by those who occupy the two highest positions. In others, it is another rank in the chain of command."

We had asked whether the fact that the new ranks have no further pay or benefits as compensation, and hence do not represent greater expenses, meant that they were exclusively honorary.

In General Praeli's written reply, which reached our editorial offices several days later, he responded:

"What is not burdensome is not always honorary. But in this instance, besides allowing for a distinction between those who command the highest institutional level and those who do not, it is unquestionable that the distinctive title constitutes an honor for those who are given it."

We had asked what reasons there were for making a distinction regarding the new ranks for the generals and vice admirals who had not attained the posts of minister or commander in chief of the Armed Forces.

General Praeli's response was as follows:

"As for what you regard as a distinction, I disagree, because if there are only two officers comprising the high command, as I have already stated, that number does not include more, and has not included more, because the command cannot be of a collegiate nature from the military standpoint; since the military, by their nature, have a vertical organization."

Finally, we had written asking Gen Enrico Praeli for his opinion concerning Adm Miguel Grau and, subsequently, whether the fact that there were two new admirals in the Navy might lend itself to comparisons between the three high-level officers who have held that rank to date.

The certain, final, fact from this information is that our Armed Forces are changing; and that the high technology currently required by military training for defense has also been followed by the change in staffs and ranks. All these things are perhaps the result of what, in our Romance language, they call modernization.

2909

CSO: 3348/721



ST CHRISTOPHER-NEVIS

## CENTRAL BANK REPORT SHOWS STRONGER ECONOMIC GROWTH

Kingston THE DAILY GLEANER in English 10 May 85 p 34

[Text]

BASSETERRE, St. Kitts, May 3 (CANA):

The economy of St. Kitts and Nevis grew in 1984 by up to four per cent, with the sugar and tourism industries showing stronger growth than the previous year, the Eastern Caribbean Central Bank said.

The bank's economic and financial review said:

The performance of the sugar and tourism industries is indicative of output trends. These data suggest that gross domestic product at constant prices increased by as much as 4 percent during the year. Sugar production which is confined almost to the first half of the year increased by 14 per cent over the 1983 level and benefitted export earnings by 17.5 per cent.

The tourist industry, which is increasing in importance in the economy, recorded substantial increases in visitor arrivals. For the final quarter of 1984, visitor arrivals by air increased by 38.6 per cent, over the corresponding quarter of 1983, to 10,312.

This brought visitor arrivals by air for the year to 39,848 or 16.3 per cent above the 1983 total. Cruise ship passenger arrivals also rose in the fourth quarter by 38.6 per cent to 11,256 over the corresponding period in 1983, and for the year as a whole increased by approximately 49 per cent to 34,000.

The sustained economic recovery in the United States together with the fact that most visitors to the region originated there were important factors in the growth of tourism during the year.

### Inflation

The rate of inflation as measured by a consumer price index, was 1.5 per cent during the final quarter and 2.7 per cent for 1984. During the quarter a number of categories in the index recorded declines.

Clothing and footwear declined by 4.3 per cent, furniture and domestic appliances by 2.6 per cent and household supplies by 1.8 per cent. There was however, a sharp increase of 34.7 per cent in the housing category which resulted largely from increases in house rent, the price of paints, galvanize sheets and nails. The remaining sectors either remained unchanged or registered modest increases.

Preliminary data on the Central Government finance indicate that recurrent revenue for 1984 was 48.7 million dollars (one E.C. dollar = 37 cents U.S.) as against recurrent expenditure of 52.7 million dollars leading to a four million dollar deficit on the recurrent budget.

The main factor responsible for this deficit is structural and derives from the sustained losses of the sugar industry which consequently can make no contribution to government revenues.



### **Tax**

For 1985 recurrent revenue is projected at 58.3 million dollars and recurrent expenditure at 56.1 million dollars, thereby resulting in an estimated surplus of 2.2 million dollars on the recurrent account.

The increase in budgeted expenditure of 1.5 million dollars in 1985 over 1984 is largely as a result of increased debt service payments estimated at 0.8 million dollars, and increased expenditure related to foreign services.

Tax increases proposed for 1985 are expected to generate an additional 1.4 million dollars in revenues over 1984 levels. Stamp duties

on land transfer were increased by two per cent to four per cent in each party to the transfer and are projected to yield an additional 0.6 million dollars.

Increases in motor vehicle registration are estimated to yield 0.3 million dollars. These range between increases of 25 per cent and 67 per cent on the 1984 rates. The travel tax and airport service charge are both adjusted upward to yield 0.1 million dollars each.

The above measures account for approximately 82 per cent of the expected revenue increase, while the remainder is to be generated by increases in licence fees for drivers, banks and insurance companies.

CSO: 3298/740

ST LUCIA

CENTRAL BANK REPORTS 5 PERCENT ECONOMIC GROWTH FOR 1984

FL301746 Kingston THE SUNDAY GLEANER in English 12 May 85 p 20

[Excerpts] Improved performance in St. Lucia's agricultural crop, tourism and government saw the economy grow in real terms last year by five per cent, the Eastern Caribbean Central Bank said.

The bank, in its economic and financial review of 1984, said:

The economy of St. Lucia is estimated to have experienced economic growth of about 5 per cent in real terms during 1984. This growth rate represents significant improvement over 1983 when the rate of growth was 2 per cent. The increase in GDP resulted primarily from increases in agricultural output, tourism and the government sector.

Retail price increases reveal that the rate of inflation in 1984 was 1.2 per cent, about the same as in 1983. This low rate of inflation was primarily attributable to a fall in food prices of 0.6 per cent.

St. Lucia's trade deficit increased from 101.7 million dollars during the first nine months of 1983 to 126.8 million dollars during the same period in 1984.

Total exports fell by 8.7 per cent (9.7 million dollars) to 101.2 million dollars and imports increased by 7.2 per cent (15.4 million dollars) to 228 million dollars.

This decrease in total exports was the result of a decline in re-exports from 20.8 million dollars up to the end of September 1983 to 5.4 million dollars up to the end of September 1984; domestic exports actually increased by 5.7 million dollars.

With regard to imports, food items decreased slightly while manufactured goods continued to increase and accounted for more than 50 per cent of the increase in imports during this period.

Visitor arrivals increased from about 57,754 to 65,745, about 15 per cent, during the first nine months of 1984. The available estimate of tourism expenditure of about 116 million dollars, however, did not increase commensurately with the increase in arrivals.

The current account balance deteriorated considerably from a surplus of 2.6 million dollars in the April to September period in 1983 to a deficit estimated at about 1.3 million dollars during the corresponding period of 1984.

The 1984-85 budget had projected a current surplus over the whole year of 4.8 million dollars, but if the down trend in current resources available for capital spending continues, the current deficit in the 1984-85 budget year is likely to be even larger than that in the 1983-84 fiscal year.

CS0: 3298/741

TRINIDAD AND TOBAGO

CHAMBERS ADDRESSES PNM CONSTITUENTS, CITES PROBLEMS

Attack on Media

Port-of-Spain EXPRESS in English 30 May 85 pp 1, 56

[Text]

THE ruling People's National Movement is currently living way above its means, according to a disclosure made by the party's political leader, Prime Minister George Chambers.

Speaking to members of the party's Diego Martin Central constituency during the inaugural meeting of his meet the party tour Tuesday night, Chambers said the PNM was now existing with an overdraft in the region of \$500,000.

He was at the time making a point about the level of financial support members were required to make to sustain an official party organ, in the bid to combat what has been described as the vicious attacks on the party and its leadership by the media in the country.

The point, one which has been a matter for discussion among party members, especially since Chambers took over as political leader and Prime Minister in 1981, was raised again at Tuesday night's encounter by Aldwyn Vidale, member of Party Group 8 of the constituency.

"The PNM must prevail, but to do so we must take action now, Vidale said, before making his point that the press in Trinidad and Tobago was "vicious and vulgar" in its attacks on the Prime Minister and the leadership of the PNM.

He said the party needed its own organ to combat this negative propaganda, and that the party needed to be "more militant" and to "remove from complacency" in its approach to dealing with opponents.

In his response after a break in the meeting, Chambers said he wished only to note the comments about the need for a party organ. "I will say no more on that subject except to say that since 1982 I have made similar suggestions and they are still with the General Council," he said.

He added that, in fact, the party had an official organ (*The Nation*) but this folded in 1986, mainly because of lack of support from party members. He said that during its last years, the paper was being financed almost totally by the late political leader and that it was not possible for such a situation to continue.

He said the paper which was weekly was even distributed freely to members when it was circulated throughout the constituencies.

Advising on the tremendous cost involved in producing any kind of newspaper, Chambers said this needed to be borne in mind, especially in light of the fact that the party was now carrying an overdraft of \$500,000.

In reply to a statement from the floor that the PNM was a political party most representative of the "grass roots" in the society, the political leader issued a new challenge to the party.

He said that what was grass roots in 1956, when the PNM was born, has now become the "new middle class" in the society and that the party needed to formulate programmes aimed at re-attracting those people.

He said that this middle class was a distinct creation of the PNM and that those were the persons who now had much of the material acquisitions of progress and achievement — three cars, two television sets and two-door refrigerators in their homes, and many of their children were well educated, and employed in good jobs.

"Nothing is wrong with that," he said, except that such citizens were no longer interested in going to meetings in Woodford Square—the virtual birthplace of the PNM.

"As a national party," he said, "we need to devise programmes for the national community."

Reply to Criticism

Port-of-Spain EXPRESS in English 30 May 85 p 56

[Article by Andy Johnson]

[Text]

**POLITICAL** leader of the People's National Movement, Prime Minister George Chambers, has sought to halt the march of an advancing viewpoint among the party faithful that they are being discriminated against.

Speaking to more than 500 members of the Diego Martin Central constituency of the party when he kicked off a meet the party tour Tuesday night, Chambers said it was "unfortunate" that party members felt they were being discriminated against.

"On reflection and on balance, I cannot say in conscience that between 1956 (when the party was formed) and 1985 there has been real discrimination against members of the party," Chambers said when he spoke for the second time during the proceedings.

The meeting which took place at the St Michael Parish Hall, Diamond Boulevard, Diamond Vale, Diego Martin, heard from representatives of each of the 18 party groups in the constituency.

One of the overwhelming themes coming from the floor was the view that long-serving, hard-working members of the party were not getting the recognition and the rewards they deserved.

Several speakers called for a system whereby party members would have a distinct advantage over non-party members in the dispensation of goods and services by the Government.

One party group member, Leighton Williams, said, in fact, that there was a severe unemployment level among party members and their children and that party members were not receiving equal treatment in housing allocations under the National Housing Authority.

Another speaker, representing Party Group 9 of the constituency, wondered what was the point in belonging to and voting for a political party which formed the govern-

ment when members were not benefiting from that.

He spoke of the fact also that party members appointed to the statutory boards were being prevented from making worthwhile contributions.

In his dismissal of these viewpoints, Chambers told the audience that "every single week in the Parliament," opposition members were saying that the Government was being operated only in the interest of PNM party members.

"So it is unfortunate, I think, for members to come to a meeting like this and say publicly that PNM members should have a distinct advantage over all other citizens," he said.

When he addressed the party earlier in the night's proceedings, Chambers sounded somewhat disappointed that members were making presentations, based on written memoranda, concerning the lack of amenities and the absence of community facilities in their areas.

He said he was aware that correspondence had been circulated, clearly outlining the intention and the purpose of the tour which, he said, was aimed at grounding with the party on vital issues concerning the PNM at this point in its history.

TRINIDAD AND TOBAGO

LEADERS VOICE OPTIMISM AS NAR UNITY GAINS GROUND

Humphrey Comments

Port-of-Spain EXPRESS in English 27 May 85 p 56

[Article by Anthony Milne]

[Text]

THE National Alliance is to hold a convention on June 23 when the party will be "formalized" in a way it has not been before. St Augustine representative John Humphrey confirmed this in an interview yesterday with the EXPRESS, and said certain matters had to be settled before the Alliance went to the NAR convention, expected to take place in July.

The National Alliance is a coalition of three parties, the United Labour Front, the Democratic Action Congress, and the Tapia House Movement. The parties came together before the last general election in 1981 and used one symbol, the triangle, in that election.

"There is no one political leader of the Alliance," Humphrey pointed out, "though Basdeo Pandey, as official Leader of the Opposition, is usually seen in that role. We have worked well together the way we are and I don't know how important it is for one leader to be elected."

He did not want to comment further on this issue at the moment but said it was possible a political leader might indeed be elected at the convention and that ANR Robinson, leader of the Democratic Action Congress, might be a candidate in that election.

Humphrey added, however, that he feels it is necessary that one leader be elected at the ensuing convention of the National Alliance for Reconstruction (NAR). He said also he feels the constituent elements in the NAR (the Alliance and the ONR) should eventually come together as one party.

"There is no point in the constituent elements maintaining their identities," Humphrey contended. "The unifying process will help settle once and for all the issues of leadership and ideology."

As far as leadership of the NAR and of the country is concerned, Humphrey said he thinks Pandey has been misinterpreted over what he said about the leader of the NAR not necessarily becoming Prime Minister if the NAR wins the next election.

"All he meant," Humphrey maintained, "is that, in the event that the leader of the party did not himself win his seat, then someone else would have to be Prime Minister—since the Prime Minister has to be a member of the House of Representatives. There

is no question of intrigue and manipulation or of Pandey seeking the Prime Ministership after the election; all that is settled in our minds."

Asked if he would resign his seat in Parliament to give some other member of the NAR, Hudson-Phillips for example, the opportunity of entering Parliament, as has been suggested, Humphrey said he would if it was thought necessary.

"I will do anything to enhance the chances of removing the present government democratically and replacing it with a government that has the well-being of the country at heart," he stated. "That includes giving up my seat. But whether or not it is worthwhile having Robinson and Hudson-Phillips in Parliament before the next election needs some consideration. If there is no election before February 1987, the full term, then it would certainly be a good idea. But if there is a snap election, as we expect there may be, then it won't be necessary."

There is one other problem with the placing of NAR members in the House through by-elections, Humphrey pointed out, and that is that there is some peculiarity in the law by which by-elections need not be called right away. In the past, unoccupied seats have remained for long periods with no representatives. This would suit the present government.

As far as ideological differences between constituents elements in the NAR are concerned, with the ULF looked upon as being "socialist" and representing labour, and the ONR seen as representative of capital, Humphrey said he did not see any problem here, since his party has espoused the cause of tripartite partnership (between government, business and labour) and this would exist within the NAR itself.

"In any case," he added, "we are against total state control, which is what socialism means. It is the PNM government that is moving closer and closer towards this. We see the value of private enterprise, and we recognise and accept the profit motive. We look on everyone in an enterprise as a worker, whether manager or labourer. Profit, or surplus, is a means of growth; but of course profit must be distributed fairly."



DAC on Robinson's Role

Port-of-Spain EXPRESS in English 1 Jun 85 p 32

[Article by Compton Delph]

[Text] Leadership of the National Alliance for Reconstruction is to be finally settled tomorrow when the Democratic Action Congress opens a two-day convention at which, it is expected, a resolution will be passed authorising its leader, A.N.R. Robinson, to accept the top political post in the NAR.

A DAC spokesman said yesterday that the Congress will be asked to accept the new constitution of the party within the Alliance and the NAR. And this will pave the way for the resolution authorising Robinson to accept the NAR leadership.

Robinson, who has been long tipped to lead the three-party coalition--DAC, ULF and ONR--was non-committal yesterday on the leadership issue. But he did say that "it was clear that the population of Tobago was supportive of this move."

Speaking at his Scarborough office, Robinson denied that "there was a breakdown or any falling out in the negotiations" over the allocation of seats at the next general elections.

"The matter of seats will be discussed," he disclosed. "However, it is my personal view that the allocation of seats is not the crucial issue, but rather the presentation of a balanced team of candidates to the electorate which the country can accept as being truly representative and functional and committed to the national welfare. That is my objective and that is what I will seek to achieve," he emphasised.

"I have no doubt that Basdeo Panday (ULF leader) and Karl Hudson-Phillips (ONR leader) are in agreement with this ideal and what we need to do now is to work out the mechanics."

Robinson said that he was "fully committed to the NAR and all indications are that the population in Tobago, as well as in Trinidad, supports the formation of the NAR and is looking forward to its success."

Robinson was speaking on the eve of a "summit" of the three leaders to take place in Tobago today. Panday and Hudson-Phillips and their advisors will be met at the airport by a DAC team and taken to Alma House, a rural retreat of some 10 acres of plush lands at Mason Hall.

# Seat-Allocation Discussions

Port-of-Spain SUNDAY EXPRESS in English 2 Jun 85 pp 1, 3

[Article by Compton Delph]

[Text]

**ALLOCATION of seats among the four parties entering into the National Alliance for Reconstruction (NAR) for the next general elections remained unresolved after a five-hour meeting in Tobago yesterday.**

"But we are very close," A.N.R. Robinson, Chairman of the Tobago House of Assembly and leader of the Democratic Action Congress (DAC, told the *Sunday Express* at the end of the meeting. His view was shared by the other three leaders, Karl Hudson-

Phillips of the Organisation for National Reconstruction (ONR), Basdeo Panday of the United Labour Front (ULF), and Beau Tewarie of the Tapia House Movement.

Asked whether he was disappointed that the issue had not been resolved, Robinson, who chaired the meeting, said: "I would not say so, though I would have hoped that it would have been resolved."

"I am very happy," said Hudson-Phillips, sitting nearby. "Everything went extremely well."

Panday, across the room talking to Tewarie, agreed that "All went well," and the Tapia man nodded.

Some 35 people attended the meeting which was held at Alma

House, a rural resort at Mason Hall, about four miles north of Scarborough.

A release, signed by Robinson and issued at the end of the meeting, said: "Discussions centered around the allocation of constituencies to the National Alliance and to the ONR."

"Proposals for the resolution of the outstanding differences were put forward by the chairman, based on principles previously agreed to by members of the contact groups."

"The leader of the ONR expressed the view that more progress had been made at the Tobago meeting than had been made at all the previous meetings in Trinidad."

"It was decided that

the meeting be adjourned to enable the chairman's proposals to receive further consideration and that the groups would meet once more in Tobago at an early date," concluded the release.

A source at the meeting told the *Sunday Express* that leadership of the NAR was not raised, suggesting that Robinson remained the clear-cut choice.

But Robinson's DAC is to meet in a special two-day congress starting Wednesday (not today as was previously reported) at which a resolution authorising him to accept the post will be moved and undoubtedly passed.

## Leader Remarks

Port-of-Spain SUNDAY EXPRESS in English 2 Jun 85 pp 1, 3

[Text]

IN SHORT addresses before the start of business at yesterday's meeting in Tobago, all four opposition political leaders gave their personal commitment to the NAR. Robinson, first to speak, declared, "There is no turning back at this stage."

He told his colleagues that "a tremendous re-

sponsibility rests on our shoulders and if we fail, it will be a greater failure than those who failed us in the past," a reference to the ill-fated Federation of the West Indies.

The alternative to success, said the DAC leader was "too horrendous to contemplate."

Hudson-Phillips stressed the need for a high level of

statemanship as he cautioned: "Unless we present the population with a united front and a formula which will be acceptable, I do not think we will achieve what we want to achieve."

The ONR leader called for "realism and pragmatism".

Panday, the ULF leader, said that what had caused some amount of suspicion in the early stages was that the Alliance and the ONR fought against each other in the 1981 general elections.

Tewarie said if the NAR failed it would be letting the entire country down, for it was the party's duty to preserve the democratic culture of the nation while moving to achieve economic justice for all.

TRINIDAD AND TOBAGO

PAPER SEES DRUG PROBLEM AS GROWING POLITICAL ISSUE

Port-of-Spain EXPRESS in English 27 May 85 p 8

[Editorial: "Politics and the Drug Problem"]

[Text]

IT IS HARDLY surprising that the drug question is rapidly nearing the top of the political agenda. After all, fully 7.2 million marijuana trees were destroyed in a recent year and the St Ann's Mental Home is admitting cocaine addicts at the rate of 15 per month, which works out to be about one every two days, and even so the figure does not include the thousands of addicts who genuinely do not know nor cannot face up to the fact that they are addicts.

The truth is that unless government moves quickly to diffuse it as an issue it is going to be an election issue as well. Organisation for National Reconstruction (ONR) leader Karl Hudson-Phillips told a Diego Martin audience last week that government was not serious about stemming the tide of drug abuse in Trinidad and Tobago.

That may be an exaggeration in the light of Cabinet's announcement

that it is going to consider shortly a national drug abuse control programme to which end the Ministry of Health and Environment was working last month with research consultants from the Pan American Health Organisation (PAHO).

But unless that programme does actually get on the road and tangible results are seen the public's perception will continue to be that the government agencies mandated to deal with the rapidly growing problem have been negligent, at best, and unseeing, at worse.

That is not surprising. The major drug traffickers in Port of Spain, San Fernando and, indeed, in all the districts, particularly San Juan, are common knowledge but despite the best efforts of the Police Service they seem to have a charmed existence.

And even when their guilt has been legally established there are disturbing discrepancies with

magistrates, at times, coming down harder on users than on the "pushers" who leave the courts after paying their fines and continue to laugh their way to their respective banks.

We suggest that we may do worse than follow the example of some of those countries that have been plagued by the drug menace — the United States, for instance — and target police investigations on the bank accounts of suspected traffickers, the aim being to obtain satisfactory explanations for their fat purses as well as confiscation of property once it is proved that it has been derived from drug money.

That, admittedly, is not going to be easy for two reasons. Firstly under the Constitution the right to private property is scrupulously observed and, secondly, it is easy for traffickers to "wash" their dirty money and present a clean front in the face of police scrutiny.

We believe, however, that those "citizens" whose activities work against the common good invite an extraordinary response from the State and that what is required is legislation so framed that it does not invite abuse from the powers-that-be.

With regards to the "washing" of dirty money, there are times when things, in the language of Alice in Wonderland, become curiouser and curiouser. Recently, for example, one of the country's best-known cocaine dealers opened a recreation club giving himself immediate and easy access to a laundering facility.

We can hardly believe that he was granted the requisite club licence in his own name but we find it difficult to believe that nobody in officialdom was aware of his chain of contacts, the various fronts and the man behind those fronts. Yet the club is

opening to huge audiences and such is the owner's "boldfacedness" that we predict that it would not be long before that club becomes a relatively luxurious den of iniquity.

We began by noting that the drug problem is nearing the top of the political agenda and we cited Mr Hudson-Phillips' reference at the Diego Martin meeting. The truth is, however, that it was placed there than no less a political person than the Prime Minister.

Addressing a party conclave at the Tembladora Beach Camp, Chaguaramas, earlier this year, Mr Chambers warned that the drug problem in Trinidad and Tobago was extensive and likely to become worse and he challenged his People's National Movement (PNM) to identify itself with efforts to eradicate the problem. How well it does that will have a bearing on Election '86.

TRINIDAD AND TOBAGO

POLICE INITIATE 'ALL-OUT WAR' ON DRUG TRAFFICKING

Port-of-Spain SUNDAY GUARDIAN in English 2 Jun 85 p 1

[Article by George Harvey]

[Text]

AN all-out war has been launched by the police to smash the multi-million-dollar illicit drug trade in Trinidad and Tobago.

Two telephone hot lines (62-70887 and 62-38729) have been installed so that the public can give information to the police on drug trafficking, marijuana cultivation and use, possession or processing of illegal drugs.

Police officials state that all information will be treated in strict confidence and callers need not give their names. The hot-line service is being operated on a 24-hour basis.

Other weapons introduced by the police in the stepped up war include strengthening of the over-worked Narcotics Branch spearheaded by Assistant Superintendent David Jack and general mobilisation of the entire Police Service for a concerted drive to eliminate the menace.

Assistant Police Commissioner (Crime) Alec Heller pointed out "we have made substantial inroads in recent time...There has been an increasing number of arrests along with seizures of cocaine and marijuana and destruction of marijuana plantations."

Heller made the disclosure as the police burned \$5.4 million (street value) worth of cocaine and marijuana at the Small Boats area at Chaguaramas on Friday.

Street sale prices of cocaine are \$25 a rock (for smoking) and \$50 a straw (for snorting), with an ounce retailing at \$2,500. Marijuana fetches \$500-\$700 a pound wholesale and \$3 a joint (cigarette), and even cheaper.

CONCERNED EFFORT

The crime chief also said acting Police Commissioner Clive Sealey had issued instructions for all ranks of the service to be involved in a "concerted effort" in dealing with the drug problem.

ASP Jack, who supervised the drug burning (second for the year), said: "Dealing in drugs is not an individual crime. It is not just a crime against the state or society. It is a crime against humanity."

"Just look around and you see the evidence by the vagrants roaming the streets and other mentally deranged people. What appears before the eyes of the dealers and pushers are the dollars and cents without any thought of the destruction caused."

He exhorted: "The fight against drugs should not be confined to the police or any section of the law enforcement agencies. It is everybody's business. Everyone must play a part to eradicate this menace. We must use every force at our command to fight this cancer."

Arrests by the Narcotics Squad alone up to May this year reached 217, compared with 253 for the whole of last year and just 75 for the January-May period in 1984.

Seizures by the squad for this year included three kilos of cocaine worth about \$1.5 million and seven grammes of hashish.

Some 675,000 fully-grown marijuana trees were destroyed, along with 140,000 seedlings.



TRINIDAD AND TOBAGO

SOUTH KOREAN TRADE MISSION VISITS, EYES JOINT VENTURES

Leader Remarks

Port-of-Spain TRINIDAD GUARDIAN in English 22 May 85 p 1

[Article by Jerry Johnson]

[Text]

TRINIDAD and Tobago was chosen as the first priority by a visiting South Korean trade mission because it is a stable, peace-loving country with stable leadership.

Those were the words of Ambassador Park Sany-Yong, leader of a 15-member mission from South Korea, here to improve trade relations. The team will visit Barbados after a four-day stay in this country.

Four of its leading delegates met informally yesterday morning with Senator Wendell Mottley, Minister of Industry and Commerce. The remainder paid a courtesy visit around the same time with members of the Export Development Corporation, Industrial Development Corporation, NIHERST, Ministry of Finance and Planning, Central Bank, Development Finance Corporation.

Earlier the mission met with Mr. Errol Mahabir, Minister of External Affairs, at Knowsley.

South Korea exported \$7 million in goods last year while importing just about half the amount from this country. One aim of the mission is to achieve reciprocity, Mr. Sany-Yong said.

Trinidad and Tobago might especially be interested in wooing the Koreans as a buyer of our oil since Korea consumes 600,000 bpd, originally from the Middle East. The country, however, has since diversified its sources and is now looking to this

part of the world.

Senator Mottley told the mission leader he was impressed with Korea's rate of economic growth and suggested their visit was timely since there was much this country could learn.

He said this country had a long history in manufacturing with some individuals performing on the international level. In this regard there is great scope for joint ventures.

Government has been wooing the local private sector: holding secret talks with representatives and even proposing they accompany the Prime Minister and a team on a trade mission to the Far East.

The team is expected to visit such countries as China, Taiwan, Japan and South Korea. While no itinerary has been finalised the proposed 15-member team is expected to leave after the Caricom Heads of Government meeting in Barbados in July.

After yesterday's meeting, the Ministry of Information announced that 30,000 tons of Trinidad and Tobago manufactured ammonia is expected to be bought by Lucky Gold Star International Corporation in Seoul, Korea.

The Koreans will meet today with the Trinidad and Tobago Chamber of Industry and Commerce, the Labour Congress, Neal and Massy, Mc Eneaney-Alatons, Geddes Grant, Kirpalani's, Caroni, National Fisheries, the Ministry of Agriculture and several other leading businessmen. The group will be split.



## Technical Cooperation

Port-of-Spain EXPRESS in English 22 May 85 p 64

[Article by Omatie Lyder]

[Excerpts]

The team, the first economic co-operation mission from South Korea to be sent to the Caribbean, is also placing emphasis on promoting technical co-operation through the exchange of exports and to assist South Korean businessmen in their relationship with their Trinidad and Tobago counterparts.

The mission's leader also indicated to Mottley that the South Korean Government would like to include Trinidad and Tobago on its priority list to train nationals in the area of high technology. This, Mottley indicated, will be a most welcome development.

The team consists of both government and private sector officials.

The mission's leader also expressed hope for improving the trade relationship between the

two countries "because we think we have much in common including the level of economic development."

"There is great scope in the Trinidad and Tobago market for joint ventures," he told the businessmen.

Invitations were also extended to both ministers to visit Korea. Ambassador Park expressed hope that a delegation from this country will visit Korea early next year to coincide with the general assembly of the International Monetary Fund and the annual conference of the World Bank.

"I hope Trinidad and Tobago will send an economic mission to Korea as a follow up to what we are doing here because it will complement our mission," he said.

## Snag in Ammonia Deal

Port-of-Spain TRINIDAD GUARDIAN in English 24 May 85 p 1

[Text]

### SAN FERNANDO:

TRINIDAD and Tobago has an opportunity to establish a new market and earn millions of dollars in foreign exchange with the sale of ammonia to a South Korean corporation.

Mr. Choi-In-Hwang, of the Lucky-Goldstar International Corporation, said yesterday that he placed an order for 50,000 metric tonnes of ammonia from Fertilizers of Trinidad and Tobago Limited (Ferttrin) but was told that the order had to go through Amoco Trinidad Limited.

He calculated that the 50,000 tonnes could cost between six and seven million dollars (US).

Mr. Choi-in-Hwang, a member of the visiting South Korean Technical Mission, said he did not want to deal with Amoco or, in fact, any third party because his firm would have to pay a higher price. He was due to make another bid yesterday to see if Fertrin would accept the order.

He said if he failed, then he would have to buy the product from Alaska. His corporation uses about 25,000 metric tonnes of ammonia every month and wants to establish a trade link with Trinidad since this country is the second largest ammonia producer in the world.

Contacted on the matter, a Fertrin official said the company has committed all of its production up to July 1985, and if the Korean firm needs the ammonia after that date, Fertrin would be able to meet the demand.

The visitors also called on the South Trinidad Chamber of Industry and Commerce and visited Point Lisas.

### Joint-Venture Discussions

Port-of-Spain TRINIDAD GUARDIAN in English 24 May 85 p 4

[Article by Mikey Mahabir]

[Text]

#### SAN FERNANDO:

AMBASSADOR Park Sang-Yong leader of the South Korean technical mission told members of the South Trinidad Chamber of Industry and Commerce yesterday that colleagues are deeply impressed by the sense of dedication displayed by Government officials and those in other organisations.

He made the statement when members of the mission visited the South Trinidad Chamber Cross Crossing, San Fernando.

Mr Hedwidge Bereaux, president of the South Chamber, in welcoming the visitors pointed out that the businessmen from the Chamber are very interested in spin-off industries from agriculture, oil, steel and fertilisers.

He pointed out that South Trinidad is the area with the most capital intensive industries in the country. "We have oil, fertilisers and we are also heavily involved in agriculture.

"At this time in the development of the South, we are pleased to have you here as we are looking towards forming meaningful partnership and joint ventures in enterprises so that

we could benefit from your higher technological skills."

Mr Bereaux told the members of the mission: "We believe joint ventures mean joint ventures."

He said that Southern businessmen would be looking to have down stream industries from their steel, fertilisers and in particular from the petro chemical industries.

Mr Deen-Saidwan, immediate past president of the Chamber told visitors of the role played by the Chamber 25 years ago, in the Point Lisas Development where a number of industries is now sited. He assured them that the South Chamber is an organisation with which they can do business.

#### IMPORT BILL

He said that the Chamber members are interested in joint venture business. "We have the expertise, land, labour and skilled personnel to be involved in joint ventures."

Mr Saidwan spoke of the country's agricultural import bill of \$950 million and pointed out that the country would not want to continue importing that amount of food "since we may not be able to afford it."

He told the visitors that the Chamber will be happy to discuss with them specific projects.

CSO: 3298/724

TRINIDAD AND TOBAGO

CARONI LOSING MONEY, HAVING PROBLEMS WITH SUGAR, RICE

Rice Storage Shortage

Port-of-Spain TRINIDAD GUARDIAN in English 18 May 85 p 1

[Article by Judy Diptee]

[Text]

CARONI Limited may just have to abandon its next crop of rice in November - more than one million pounds of paddy - if the Ministry of Agriculture does not provide adequate storing and drying facilities.

This, according to Mr. Foster Bissessar, Corporate Planner at Caroni, may be the only alternative left to the company since it is already experiencing storage problems.

Although this is so, he dispelled reports that rice is rotting in the company's warehouse at Orange Grove.

The problem began when the only commercial mill in Trinidad, owned by the Ministry of Agriculture, broke down late last year for a few months. Recently it has resumed operations, working at a capacity of 8.2 tons of paddy an hour on a daily shift from 8 a.m. to 4 p.m.

The 450,000 pounds of paddy harvested about one month ago by Caroni is being housed in a makeshift arrangement. "This is not an ideal place to store the paddy," said Mr. Tony Deyal, Public Relations Officer. "The ideal situation would be to get it off our hands as quickly as possible. Rice is a perishable crop."

The Corporate Planner also pointed out that it was costing Caroni financially to store the paddy besides which "the rice begins to degenerate and rodents begin to attack the grains. And if it stays any longer we will have to eat the rats like in China."

Caroni diversified into rice cultivation three years ago, beginning with a pilot project of 370 acres which is commercially prepared. By 1987 it expects to have 808 hectares

between the Caroni and Guyanare Rivers with an expected yield of 12 million pounds of paddy.

NOT A GLUT

"But this in no way represents a glut on the market. In fact we can never cater for the needs of Trinidad; there is just not enough land and if there was, it would not have been feasible. Trinidad consumes 104 million pounds of paddy a year while we produce ten million pounds each year. We are far from supplying the market and there is room for farmers and for imports," explained Mr. Deyal.

Caroni produces approximately six per cent of the marketed rice. Agricultural economist, Seebalack

Singh said that the Starbonnet type grown is a long-grained rice with 100 per cent of the grain maturing around the same time.

"Our rice has been a best seller and we have learnt a lot from the pilot project. In 1987 when there will be 2,000 acres under harvest we will grow rice the year round. The main thing is having water control management - and Caroni has that."

But our becoming self-sufficient is far from reality," Mr. Singh added.

There are approximately 175 home mills owned by farmers who produce rice on a small scale. But their production has dropped from 12 million pounds in 1978 to 1.5 million pounds of paddy in 1984.

The reason for the drastic decrease, explained Mr. Bissessar, was due to the fact that the work was difficult and the many farmers, due to the shortage of labour in the

boom years, decided to move out of rice production as it was being subsidised and cheaper to buy than to produce.

But Mr. Singh said this source of production could increase "if the Ministry of Agriculture takes positive, corrective action."

Caroni Limited and the Ministry met this week to discuss the situation but nothing has been settled. Meanwhile, the company is worried about disposing of its paddy. It has proposed that the Government provide storing and drying facilities at the mill. In this way it can cut down on the cost of production and would not have to transport the grain from one location to another.

"We are trying to produce rice at the best possible cost for our country and ourselves", said the Public Relations Officer.

### 1984 Sugar Loss

Port-of-Spain EXPRESS in English 21 May 85 p 1

[Article by Andy Johnson]

[Text]

**CARONI (1975) Limited, the sob story sugar company bought out by the Government 10 years ago, continues to be one of the biggest money losers among the state corporations. The sugar company lost \$290,000,000 during 1984, according to interim accounts on a number of state enterprises, in information reaching the EXPRESS last night.**

According to the information from the unaudited accounts of these companies, this was among the heaviest losses suffered by any state enterprise during 1984, out of a total aggregated loss of \$360,000,000 for state enterprises in the energy and manufacturing sectors.

In the manufacturing sector also, the National Fisheries Company lost \$20,745,000 during 1984 while the Trinidad and Tobago Printing and Packaging Company suffered a \$4,159,599 loss.

Among nine state-owned companies in the energy sector, there was an aggregated profit of more than \$125 million during 1984, with the Trinidad and Tobago Oil Company (Trintoc)

leading the way with positive balance of \$156,757,000.

The much maligned Iron and Steel Company of Trinidad and Tobago lost \$177,737,000 during the period under review, the National Energy Corporation lost \$25.6 million and floundering Trinidad Lake Asphalt Company suffered a \$3,099,319 loss.

The National Petroleum Marketing Company, however, made a profit of more than \$8 million from its monopoly in the marketing and distribution of local petroleum products. The National Gas Company did considerably better with a positive balance of \$56.6 million. Trinidad Tesoro, the petroleum company in which the Government has a 50.1 per cent share, made a healthy \$103,089,000 in 1984. Trinidad Nitrogen made a \$6.3 million profit and the Point Lisas Industrial Development Company brought in \$87.2 million.

Government officials are describing the state of affairs at Caroni as "one big DEWD," a reference to the drain on the public purse similar to the operations of the Development and Environmental Works Division of the Ministry of Works, Maintenance and Drainage.

Port-of-Spain EXPRESS in English 22 May 85 p 3

[Text]

**OPPOSITION** leader Basdeo Panday warned yesterday that state-owned Caroni Ltd would continue to lose money so long as it postpones dealing with the question of mismanagement.

Panday was responding to an exclusive report in yesterday's EXPRESS which said that Caroni Ltd lost \$290 million last year. The report quoting from the unaudited account of state enterprises described Caroni's losses as the "heaviest" suffered by any state enterprise in 1984. The state enterprises in the energy and manufacturing sectors lost a combined \$360 million.

Panday, who heads the sugar industry's main trade union — All Trinidad Sugar and General Workers Trade Union, accused Caroni of

refusing to heed the advice of the union in cost cutting. Panday said Caroni's management was in urgent need of restructuring and streamlining. He said the present company management was "wasteful and inefficient."

Panday said that Caroni must "re-assess its diversification programme to see whether it is actually achieving what had been intended." He said the diversification programme could end up a further burden on the company if its targets were not monitored.

Said Panday: "Caroni's workers are anxious to bring the company out of its problems but the management seems to be in no hurry to do that."

Said Panday: "The company is moving too slowly in dealing with issues that could enhance its financial recovery exercise."

CSO: 3298/725

TRINIDAD AND TOBAGO

CENTRAL BANK REPORTS ON TRADE INCREASE, PUBLIC SECTOR DEBT

Decline in Trade Deficit

Port-of-Spain EXPRESS in English 21 May 85 p 3

[Text]

**TRINIDAD and Tobago incurred a balance of payments deficit of \$1,764.5 million in 1984, according to the 1984 Annual Report of the Central Bank of Trinidad and Tobago.**

This figure is compared with deficits of \$2,161.6 million in 1983 and \$527.1 million in 1982.

In its report, the Central Bank stated that the reduction in the overall deficit in 1984 reflects a large positive change in the merchandise trade balance which, however, was largely neutralised by the growing deficit on the current services account and on the capital account, including errors and omissions.

The deficit on current account in 1984 is estimated at \$1,588.5 million, compared with \$2,327 million in 1983.

"This improvement reflects the marked swing in the merchandise trade account from a deficit of \$729.8 million in 1983 to a surplus of \$467.2 million in 1984 primarily as a result of a 26 per cent fall in the value of merchandise im-

ports," the report stated.

Food imports declined by nine per cent and the value of exports also fell in 1984, according to the report.

The net outflow of foreign exchange on the services account is estimated at \$1,729.5 million for 1984. The deficit on investment income account increased from \$573.6 million in 1983 to \$968.4 million in 1984, the result of both a fall in inflows and an increase in outflows.

Interest earned on the Central Bank's foreign investments, by far the major inflow, fell from \$540.7 million in 1983 to \$316.6 million in 1984 as a result of the reduced size of the portfolio and lower interest rates.

At the same time, the report stated that outflows increased by 15 per cent to \$1,285 million owing to higher profit remittances and interest payments on public debt. There were also sizable deficits on the travel and "other services" accounts in 1984, though in both cases there was little change from 1983, the report added.



Port-of-Spain EXPRESS in English 21 May 85 p 18

[Text]

TOTAL public sector debt outstanding in 1984 increased by five per cent to \$4,922 million in Trinidad and Tobago.

This information is contained in the 1984 Annual Report of the Central Bank of Trinidad and Tobago.

The report added that direct Central Government debt increased by \$495.3 million to \$3,084.5 million of which the increase in external debt amounted to \$437.6 million. At the end of 1984, direct Central Government external debt amounted to \$1,988.6 million or 64.5 per

cent of the total Central Government debt.

External borrowing of the Central Government amounted to \$604.4 million in 1984, according to the report. This, it added, comprised loans totalling \$340 million raised on the Japanese market, a bond issue of \$170 million in the United Kingdom and drawdowns on loans previously contracted mainly with respect to the Mount Hope Medical Complex and the Cassia Field Pipeline Project. The repayment of principal on external loans amounted to \$166.8 million during the year.

CSO: 3298/725

TRINIDAD AND TOBAGO

COOPERATION IN MANUFACTURING AIRED WITH MISSION FROM SEOUL

Port-of-Spain EXPRESS in English 25 May 85 p 5

[Text]

**THE** possibilities for co-operation in refurbishing and modernisation of existing sub-sectors of the manufacturing sector and the development of new projects was one of the items discussed when the management committee of the Trinidad and Tobago Manufacturers Association met with members of the visiting South Korean mission on Tuesday.

A release from the TTMA said yesterday that concurrent with the above discussions, individual member companies of the TTMA met with rep-

resentatives of counterpart companies of South Korea for indepth discussions in the areas of garments, electronics, machine tools, dies and castings and other light engineering products.

The meeting also explored the potential for joint co-operation in the manufacture of products for export to the United States under the Caribbean Basin Initiative in those instances where South Korea was now faced with the imposition of quotas and tariffs on exports into the United States from South Korea.

The TTMA hosted a luncheon for the visiting mission at the Hotel Normandie on Wednesday

at which representatives of the Export Development Corporation and the Development Finance Company participated.

At the luncheon, Ambassador Sang-Yong Park, leader of the mission, noted that the visit was the first of its kind to Trinidad and Tobago by a South Korean mission.

He also indicated that although sufficient information had been acquired by his mission members to permit positive decisions in the areas identified, there had to be further evaluations in South Korea.

He added that the relationship established by the manufacturers and the mission would be strengthened in the future.

CSO: 3298/749

TRINIDAD AND TOBAGO

GOVERNMENT IMPOSES 18-MONTH BAN ON GARMENT IMPORTS

Port-of-Spain EXPRESS in English 25 May 85 p 1

[Article by Omatie Lyder]

[Text]

**IN A move aimed at revitalising the garment industry in Trinidad and Tobago, Minister of Industry, Commerce and Consumer Affairs Wendell Mottley yesterday announced that there will be a restriction on the import of garments for a period of 18 months with immediate effect.**

The restriction, he further stated, will apply principally to extra-regional imports, but there will be some control over the importation from within the Caricom region where he said the matter of labelling has come into question.

The minister made the announcement at a news briefing at his Riverside Plaza offices yesterday.

"It should be made abundantly clear that what is being done is the declaration of a stabilisation period of 18 months during which the local industry is expected to put its house in order and improve its own efficiencies and relative competitiveness. All reasonable assistance will be provided to the industry in the rehabilitation/modernisation of its operations," he said.

Mottley has also established a garment advisory committee charged with the responsibility of developing the garment industry.

The committee will be charged specifically with monitoring the implementation of structural changes in the industry over the next 18 months. It will also be responsible for identifying the type and quality of garments produced locally and to advise the minister on a suitable regime to be established with respect to imports.

Members of the committee are Reynold Rampersad, Permanent Secretary in the ministry; Cecil Wyke, chief advisor to the Minister; Sheila John of the Management Development Centre; J. Matouk, manufacturer; P. Boyce, small garment manufacturer; M. Gonzales, garment manufacturer; M. Hosein, TTMA; H. Campbell of the Garment Retailers Association; C. Munro, Trinidad and Tobago Mall Vendors Association; S. Woodruffe, consumer representative and K. Gonzales, trade union representative.

Structural changes will be effected in the system of bulk raw

material buying and specialist machine sharing, special loan arrangement with the Development Finance Company which approved short term loans as of April 30, 1985, to the garment industry in the amount of \$10.5 million. In the same period, 88 loans were approved in the amount of \$1.3 million to garment manufacturers through the small business fund.

According to figures quoted by the Minister, garment imports increased from \$43.3 million in 1979 to \$89.2 million in 1982. Employment in the industry, he said, has fallen from 6,500 persons in 1979 to 2,000 in 1984. The employment of the remaining 2,000, he added, was now being seriously threatened.

TRINIDAD AND TOBAGO

PRIVATE SECTOR OFFICIAL CALLS FOR GOVERNMENT POLICY SHIFTS

Port-of-Spain SUNDAY EXPRESS in English 26 May 85 pp 1, 3

[Article by Anthony Milne]

[Text] A prominent industrialist, part of a high-powered panel addressing a breakfast meeting of journalists and special guests on Friday at the Trinidad Hilton, has called for the removal of controls on the private sector, the operation of free market forces, and the devaluation of the Trinidad and Tobago dollar.

"The country has to be involved in the process of development," he said.

"It has to want to develop; it is a matter of skill and will. It is not so difficult, but it involves the creation of surplus funds for capital development. The question is whether this can be voluntary or must be compulsory."

Either way, he asserted, people must give up spending on goodies in order to save, with the hope of better returns in the future.

Some people, he said, had not had the benefit of being in business and had not experienced its positive aspects.

A further problem at the moment, he said, was that the population was still being exhorted to live high, which made adjustment to the down-turn in the economy more difficult. He complained, too, about the Government's "negative" attitude to fiscal policy.

"The Government sees fiscal policy not as something dynamic with which to stimulate the private sector, but only as a means of getting money to spend. As it is, the Government has pumped up recurrent expenditure to an unsustainable level, money which is spent mainly on unproductive jobs in the public sector."

He said public servants employed in the administration of ECO form applications, for example, were a new form of DEWD.

"The Government has got to have the guts to cut down on this spending," he said, "and we have to believe that the political and social implications can be dealt with by absorbing these people in a stimulated private sector."

The industrialist went on to describe the Trinidad and Tobago dollar as "grossly overvalued," and said the value of the TT dollar should depend on the laws of supply and demand and not be fixed.

He said the present low interest rates in this country were a problem also, since, because of inflation, people who saved actually lost out over the course of time.

He also attacked the "penal" tax structure. "Corporate tax here is two or three times higher than what obtains in the United States," he said. "Personal taxation is twice as high as any other country I know, three times as high as in any other small trading country, and four times as high as in other oil-producing countries."

He said he was making a plea for the freeing-up of the Government's stranglehold on the economy so that Trinidad and Tobago could become a real part of the trading world. Foreign capital should be allowed in and all kinds of products and skills could be exported.

CSO: 3298/749

TRINIDAD AND TOBAGO

BANK REPORT CITES CONTINUED DECLINE IN ECONOMY FOR 1984

FL251830 Bridgetown CANA in English 2220 GMT 24 May 85

[Text] Port-of-Spain, May 24--The Trinidad and Tobago economy, after registering a 5.2 per cent decline in 1983, dipped by a further 7.4 per cent in 1984 despite recovery in the key petroleum sector, which posted its first production increase since 1979, according to the Central Bank.

The bank's annual economic report for 1984 attributed the worsening of the economy to a 9.2 per cent decline in activity outside the oil sector, with the exception of electricity and water. This sector had registered a 4.9 per cent fall-off in output in 1983.

The contraction of the non-oil economy is attributable primarily to a weakening of the stimulus provided by government's fiscal operations, the report said.

The government's overall fiscal deficit fell to 1,393 million dollars (one TT dollar, 41 cents U.S.) or 6.7 per cent of gross domestic product (GDP) from 2,334 million dollars in 1983. In 1982, the deficit was at a record level of 2,652.4 million dollars.

This improvement in the deficit was achieved by sharp reduction of capital expenditure, with consequences for construction activity, and in 1984 a reduction in recurrent spending as transfers and subsidies were reduced and growth of wages and salaries controlled, the report said.

Petroleum output was up six per cent on the 1983 total of 61.6 million barrels, inflation slowed to 13.3 per cent from 16.7 per cent in 1983 but unemployment rose to 12.8 in mid-1984 from 11.1 per cent for the corresponding period in 1983, the Central Bank said. This meant an extra 11,000 workers became unemployed up to last June, pushing the overall total to 60,300.

The bank said the most pronounced declines in the non-oil sector were in distribution (18.1 per cent), construction (13.5 per cent) and transport, storage, and communication (12.0 per cent).

Activity in the manufacturing sector fell by 8.6 per cent in the face of slackening domestic demand and shrinking export sales to the Caribbean Community (Caricom).



The services sectors declined, though by less than the average for the non-oil economy as a whole, while real value added in agriculture fell by 1.9 per cent, the lowest rate of decline in the non-oil economy, as the domestic agriculture sub-sector continued to display some dynamism, the report said.

Foreign reserves at the end of 1984 had declined to 2,835 million dollars at the end of the year, 2,163.5 million below the 1983 end-of-year total.

The overall public sector debt rose by five per cent to reach 4,922 million dollars. This stemmed from 604.4 million dollars in external borrowings by the government.

CSO: 3298/749

8 July 1985

## TRINIDAD AND TOBAGO

## ONR OFFICIAL REVIEWS BLEAK UNEMPLOYMENT SITUATION

Port-of-Spain EXPRESS in English 27 May 85 p 3

[Text]

**SURUJRATTAN RAMBACHAN**, deputy political leader of the Organisation for National Reconstruction (ONR), has charged that 3,000 workers have been pushed into the breadline each month since June, 1983.

Rambachan made the disclosure during an address to the Central Division of the Trinidad and Tobago Chamber of Industry and Commerce last week.

The meeting was chaired by Division president Anthony Charran and held at the Central Park restaurant in Chaguanas.

Rambachan told the businessmen that at the end of May, 1985, the unemployment figure in the country would have stood at 93,600.

He said that the unemployment figure stood at 11.1 per cent in June, 1983 but pushed up to 12.8 per cent in June, 1984. He said this had put an additional 11,000 workers on the breadline in an overall total of 60,800 unemployed people.

"If the current unemployment rate is 17 per cent, then the increase since June, 1984 has been 4.2 per cent or 27,000 people which means that about 38,000 people have been added to the unemployment list between June, 1983 and March, 1985," he said.

"What is more disturbing is the fact that on the average in the last nine months, the rate of unemployment has been rising at 230 per cent per month," he added. "A priority, therefore, of any management will be a thrust at reducing unemployment."

Rambachan, a former management lecturer at the University of the West Indies (UWI), said that reduction in unemployment could only come with the creation of jobs but admitted that this was a long-term goal.

CSO: 3298/749

TRINIDAD AND TOBAGO

GOVERNMENT WARNS HIGH WAGE INCREASES NOT SUSTAINABLE

Port-of-Spain EXPRESS in English 1 Jun 85 p 32

[Article by Omatie Lyder]

[Text]

IT SHOULD now be clear to the people of Trinidad and Tobago that the high rates of increases in wages and salaries to which the country had grown accustomed during the boom years are not sustainable in our changed economic circumstances, Minister in the Ministry of Finance and Planning, Anthony Jacelon, said yesterday.

Nor, added the minister, could the high levels of absenteeism and other untoward work habits continue indefinitely.

Jacelon made the remarks when he delivered the feature address and formally opened the National Productivity Council's seminar on "Productivity management, measurement and analysis at the enterprise level" at the Holiday Inn yesterday. The two-day seminar is

being held in collaboration with the Venezuelan Productivity Commission.

"I am of the view that job security, which naturally is a pre-occupation of labour, especially during these times, can only be assured if it is matched by efforts on the part of labour to increase its productivity," the minister added.

But Jacelon was careful to point out that management must, on the other hand, be committed to creating the physical and psychological environment which encourages such a response on the part of labour.

"The manager must also strive to upgrade his own skills and techniques so that he would himself make a positive contribution to the productivity effort," he said.

Most important, Jacelon said

management must recognise that in a period of declining demand, productivity increases must be reflected in reduced product prices if potential markets home and abroad were to be exploited.

"For example, the opportunities which are now available under the Caribbean Basin Initiative and the Lome Convention will be of limited benefit unless the prices are brought down to competitive levels," he said.

He added that Government was committed to ensuring that investment goods were accorded priority in the use of the country's reduced foreign exchange earnings.

"Indeed, this is but one aspect of a policy stance which is based on effecting a shift in expenditures in favour of investment as against consumption. It has provided protection within the local market in order to facilitate local firms in their adjustment efforts.

CSO: 3298/750

TRINIDAD AND TOBAGO

ONR CHARGES TTT WITH IMPOSING BAN ON HUDSON-PHILLIPS

Port-of-Spain EXPRESS in English 22 May 85 p 3

[Text]

TRINIDAD and Tobago Television has banned Karl Hudson-Phillips — or so Organisation for National Reconstruction public relations officer Lennox Raphael and other party people feel.

"They have banned him outright now," an irate Raphael told the EXPRESS yesterday, flourishing a copy of a letter from TTT programme director Ethel C. Bethelmy refusing the party's request for political broadcast time this evening.

"They have banned him and every night there is a parade of PNM propaganda on TTT, whose chairman of course is a member of the public relations committee of the People's National Movement," Raphael charged.

Raphael explained that the ONR had requested time for a political broadcast so that Hudson-Phillips, the party's political leader, could tell the nation his reasons for stepping out of the race for leadership of the new coalition National Alliance for Reconstruction.

The formation of the NAR is the result of the coming together of the ONR and the National Alliance in order to provide a united opposition to the ruling PNM in the next general election.

The ONR's request for broadcast time was submitted in writing to TTT last Sunday, May 19.

TTT's reply to the ONR, which bore yesterday's date, offered the following reasons for its refusal.

"Because of the lateness of the request," the letter read, "and in view of the pending matter between Trinidad and Tobago Television and Mr Surujrattan Rambachan of the ONR, which is before the Court of Appeal, I wish to seek the advice of TTT's Counsel, who is unavailable at present, before deciding on the granting of broadcast time to any Political Party. Until this advice is received it will not be possible to accommodate your request."

The reference to ONR deputy political leader Surujrattan Rambachan concerns a constitutional motion brought several months ago asking the High Court to declare TTT's censoring of a political broadcast made by Rambachan unconstitutional.

CSO: 3298/725

TRINIDAD AND TOBAGO

TELEVISION COMPANY IN DIFFICULTY, ANNOUNCES LAYOFFS

Port-of-Spain EXPRESS in English 24 May 85 p 1

[Article by Davan Maharaj]

[Text]

**RETRENCHMENT at state-owned Trinidad and Tobago Television has begun in a move which the company's management said was part of the station's battle for survival.**

General Manager John Barsotti, in a circular to all TTT staff yesterday, indicated the company's retrenchment plans and offered workers to consider the option of voluntary redundancy. Checks by the EXPRESS San Fernando Desk revealed that the station planned to cut some 53 workers, including senior staff by next month.

TTT's redundancy plans follow two recent meetings at Television House when Barsotti told staff that the company was in serious financial situation. He attributed the company's financial problem to the downturn in the economy adding that cost-cutting exercises had to be undertaken to keep TTT solvent.

In his circular, Barsotti recalled that he had also pointed out that retrenchment of staff would be a last resort. "But nevertheless, some retrenchment may follow and staff were invited to partici-

pate in the economies necessary to survive."

In his circular yesterday, he said: "I am now directed to inform staff that the option for redundancy based on existing terms in the collective agreement will be considered and any such persons should indicate his or her interest in writing to me by March 31, 1985."

TTT, he said, reserved the right to refuse applications in instances where there existed a need to retain persons in its employ. But he added: "After dealing with the applications received, there may remain a need to define other redundant positions and assurance is given that efforts will be made to offer a redundant employee suitable alternative employment within the company."

Contacted yesterday, TTT Staff Association president William Latchman said he had written the company asking Barsotti to define his interpretations of "redundancy and retrenchment".

Latchman said the association had told the company that "communications development co-ordinator Winston Sadoo and chief engineer Ashwani Saigal should be made redundant before any retrenchment plan were implemented."

TRINIDAD AND TOBAGO

FOREIGN SERVICE OFFICER GIVEN VENEZUELAN POSTING

Port-of-Spain EXPRESS in English 25 May 85 p 3

[Text]

**CHRISTOPHER THOMAS**, Permanent Secretary in the Ministry of External Affairs has been appointed Trinidad and Tobago's Ambassador to Venezuela, according to a release from the Ministry of External Affairs.

Thomas has been in the Foreign Service for the past 18 years. During this time he has held various senior posts including those of First Secretary at the Trinidad and Tobago Embassy in Caracas, Deputy Permanent Representative to the United Nations, New York, Acting General High Commissioner, Georgetown and Permanent Secretary in the Ministry of External Affairs.

He has also been a member of Trinidad and Tobago's Permanent delegation to the United Nations Conference on the Law of the Sea in 1974; Chairman of the Committee on Conferences of the United Nations and Chairman of the Administrative and Budgetary Committee of the Thirtieth Session of the United Nations General Assembly.

He continues to serve

as a member of that Committee, and is Chairman of the Committee of Governmental Experts appointed to evaluate the present structure of the United Nations Secretariat in the areas of Administration, Finance and Personnel.

This is the second ambassadorial appointment within recent times. Reginald Dumas, Chairman of the Public Service Review Task Force, was earlier this month appointed as High Commissioner to Barbados.

Born in May 1939, Thomas was educated at Fatima College and St Mary's College in Port of Spain. He has a Bache-

lor of Arts Degree in Modern Languages from

London University, a Diploma in Education from the University of the West Indies, an M.A. in International Politics from New York University and an M.A. in Political Science (specialising in Latin American Government and Politics), from the University of Bristol in England.

Christopher Thomas is married to Lorna Hope. They have two sons and a daughter. His hobbies include cricket, football and debating.



TRINIDAD AND TOBAGO

TRINTOC BOARD EXPANDS; ROSE REMAINS AS CHAIRMAN

Increase to 12

Port-of-Spain TRINIDAD GUARDIAN in English 18 May 85 p 1

[Text]

THE BOARD of directors of the Trinidad and Tobago Oil Company (Trintoc) which has been put in charge of Texaco Trinidad Incorporated since Government bought Texaco last March, has been increased by two — from ten to 12.

Composition of the team was announced in the House of Representatives yesterday by State Enterprises Minister Ronald Williams.

Mr. W. Andrew Rose has been retained as Chairman of the Board.

Minister Williams told the Lower House that the company would hold an extraordinary meeting to ratify the expansion of the Board on Monday.

The board comprises three representatives of the business sector. Another noteworthy appointment is Mr. Frank Barsotti, Permanent Secretary in the Ministry of Finance.

Following is the composition of the Board as agreed to by Cabinet at its weekly session on Thursday:

Mr. W. Andrew Rose, Chairman (present member); Mr. Jack de Lima, present member (business); Mr. Walton James, present member (Chemical Engineer); Mr. Doddridge Alleyne, economist, permanent representative to the U.N.; Dr. Norbert Masson, petroleum, mechanical and marine engineer; Mr. Nazir Ahamad, mechanical engineer, (business); Mr. Michael Mahabir, petroleum engineer (business); Mr. J.P. Essau, chartered accountant; Senator Alwin Chow, chartered accountant; Mr. Edward Collier, solicitor; Mr. F.A. Barsotti, economist; Mr. Clyde James, management consultant.

Port-of-Spain EXPRESS in English 21 May 85 p 1

[Text]

**REPRESENTATIVES** of the shareholders of the expanded Trinidad and Tobago Oil Company met yesterday at the Ministry of State Enterprises and passed a resolution increasing the amount of persons on the board from 10 to 16, and the quorum for board meetings from three to five.

The extraordinary general meeting had been called in the light of last Friday's announcement by State

Enterprises Minister Ronnie Williams of the newly constituted board of directors at Trintoc, and the disclosure that the board was required to submit a plan of action to the Government for the continued operation of the company.

Trintoc was expanded with the Government's acquisition of the majority of the holdings of Texaco Trinidad Inc, in an agreement which was signed at Whitehall on March 30.

Those present at yes-

terday's meeting were Lenny Farfan, Permanent Secretary in the Ministry of State Enterprises; Frank Barsotti, Permanent Secretary in the Ministry of Finance and Planning and a new member of the board; Vernon Chin Cheong, S. Joo Khoo and William Daniel, all of the Ministry of State Enterprises and holders of one share each in the company; Wally James, managing director, and W. Andrew Rose, chairman of Trintoc.

CSO: 3298/726

TRINIDAD AND TOBAGO

SECRET POLL SAID TO COUNT EAST INDIANS IN POLICE FORCE

Question of Purpose

Port-of-Spain EXPRESS in English 22 May 85 p 1

[Article by Davan Maharaj]

[Text]

**THE Trinidad and Tobago Police Service has conducted a secret investigation into the amount and status of East Indians in the service.**

A document under confidential cover, dated October 9, 1984, was despatched to all senior superintendents and superintendents in charge of division/branches requesting a return, "showing the number of assistant superintendents, inspectors, sergeants, corporals and constables under your command, who are of East Indian origin." The circular which has since been answered by the various divisions was signed by former Deputy Commissioner of Police (Administrative Services) Hugh Roberts.

Up to yesterday, the former deputy commissioner, police and government authorities could not identify the reason for the investigation. Roberts however, had stated in the circular that the information on personnel of East Indian origin "is urgently needed by the Police Service Commission and must be treated with the strictest confidence."

However, Police Services Commission chairman Earl Jones, member Jimmy Bain and another commissioner yesterday said they could not remember issuing such instructions for the information.

Contacted at the St Augustine campus of the University of the West Indies where he is now chief security officer, Roberts said he was not able to say "what led up" to the request for the information. Said Roberts: "Even though I may be willing to jog my memory about it, I doubt I could get to the basis of it. And even if I remember, it would be a breach of

regulations to comment."

Roberts suggested that the Commissioner of Police be contacted for comment. But Roberts added, "I imagine that he would share the concern that something confidential like that document should reach the press."

Acting Police Commissioner Clive Sealey was not in office when the EXPRESS tried to reach him for comment yesterday.

A member of the Police Service Commission told the EXPRESS San Fernando Desk he could not remember the commission requesting the information. When contacted, Bain said: "I know nothing about that at all. It may have been an administrative investigation."

Bain insisted he was not competent to comment on behalf of the commission and suggested that the EXPRESS contact commission chairman Jones. Jones told the EXPRESS he could not remember issuing such instructions and also suggested that this newspaper contact Director of Personnel Administration Wilfred McKell to verify if such instructions were issued. McKell was not in office when the EXPRESS attempted to reach him for comment yesterday.

Labour Minister John Donaldson, who was National Security Minister when the investigation was launched, also declined comment on the issue.

After being asked to answer some questions about a letter written by Roberts, Donaldson said: "Check (Overand) Padmore, he is Minister of National Security. Note that I don't even want to know what it (the letter) is about. Anything about labour, whether it was in Mahabir or Cartey days, ask me."

Padmore Reaction

Port-of-Spain EXPRESS in English 24 May 85 p 1

[Article by David Renwick]

[Text]

**NATIONAL Security Minister Overand Padmore was visibly irritated with Opposition Chief Whip Nizam Mohammed (Alliance-Tabaquite) in the House of Representatives yesterday when the latter implied that he had had something to do with the secret survey of the number of policemen of East Indian extraction in the police service as exclusively revealed by the EXPRESS on Wednesday.**

Mohammed was speaking in the debate on the Hubert Brown (Confirmation of Appointment) Bill, which seeks to confirm the deceased waterworks Foreman One in the post he held at the time of his death, when he suddenly rounded on Padmore, who was busy with his Ministerial papers, and referred to "the poll you and Donaldson were engaged in carrying out ..."

The National Security Minister sprang to his feet and vehemently denied he had anything to do with any poll and demanded the statement be withdrawn. The Member for Tabaquite shifted his ground slightly and said that Padmore "knew" about the survey but this, too, was unacceptable. Mohammed persisted: "What I am saying is that a poll was commissioned by the Police Service Commission and the Minister ought to have known about it."

But Padmore still insisted on a

retraction, which Mohammed grudgingly gave under prodding from Speaker Matthew Ramcharan, though he could not resist remarking that "if he (Padmore) did not know about the poll that was requested on October 26, 1984, about the racial balance, or imbalance, of the police service, then that is the height of irresponsibility on his part and he should resign."

The Opposition Chief Whip then proceeded to attack Works, Maintenance and Drainage Minister Hugh Francis, who had entered the debate last Friday to defend the DEWD programme and accuse the Opposition of a deliberate attempt to use DEWD workers as a "destabilising" force, but could not resist returing to provoke Padmore sometime later by insisting: "A poll was commissioned by the police. I want to find out what was the intention of the poll? Was it to do with retirement benefits?"

This time Padmore's predecessor at the Ministry, John Donaldson, during whose tenure of office the poll was reportedly undertaken, rose to make his own position clear. "It is incorrect, wrong in fact and therefore misleading to attribute to the Minister of National Security, to the Permanent Secretary or to any officer within that Ministry, what he (Mohammed) is attempting to attribute."

CSO: 3298/726

TRINIDAD AND TOBAGO

BRIEFS

CUBAN AMBASSADOR--Cuban Ambassador Plenipotentiary and Extraordinary to Trinidad and Tobago, Mr Severino Mansur Jorge, presented his credentials to President Ellis Clarke yesterday. Mr Jorge, 54, started his diplomatic career in 1965 when he was Charge d'Affaires in Rome. He graduated from Havana Teachers' College in 1950 and received a doctorate in pedagogy from Havana University in 1984. He speaks English, French, Italian and Slovak. He is married and has three children. [Text] [Port-of-Spain TRINIDAD GUARDIAN in English 24 May 85 p 22]

OIL TAX INCENTIVES--Government has moved to provide further incentives to stimulate production and drilling activities by oil companies. This was gleaned when a Bill seeking to amend the Petroleum Taxes Act was tabled in the House of Representatives yesterday afternoon. The measure, intended to modify the petroleum taxes regime, stipulates that in computing supplemental petroleum tax a production allowance (a new incentive) of 30 percent of gross income of each field up to the first two million barrels of crude oil per annum. Also, an investment allowance of 43 percent (originally 100 percent) of intangible drilling costs and 43 percent of tangible costs incurred in development activity in marine areas as well as a royalty allowance would be deductible from gross income, in computing supplemental petroleum tax. Supplemental refining tax and submarine production allowance would be discontinued. These benefits are in addition to the reduction of the supplemental tax announced last year--from 60 to 55 percent. In his 1985 Budget Speech, Prime Minister George Chambers, as Minister of Finance and Planning, announced that a comprehensive review of the system of taxation of marine producing companies, involving extensive discussion with these companies, was completed in 1984. On that basis, he added, Cabinet had agreed to certain incentives to offer the companies. [Text] [Port-of-Spain TRINIDAD GUARDIAN in English 24 May 85 p 1]

FERTILIZER DIFFICULTIES--Cane farmers in south Trinidad yesterday expressed fears that their 1986 sugar crop would be affected if fertiliser supplies from Caroni Limited are not expedited over the next few weeks. Pooran Jagdeo Maharaj, President of the Sugar Cane Division of the Trinidad and Tobago Agricultural Congress told the EXPRESS San Fernando Desk that irregular supplies of urea were hampering cane farmers fertilising operation. Under an arrangement with the Government, Caroni sells Farmers 150 kilo bag of fertiliser for every three tons of cane sold to the company.

Contacted yesterday a Caroni spokesman said farmers were justified in their concern, but added that the company was working to resolve the problem. He said Caroni was experiencing problems in the bagging of urea which is bought from the NEC's Urea Plant at Point Lisas. [Text] [Port-of-Spain EXPRESS in English 24 May 85 p 3]

CSO: 3298/727



TURKS AND CAICOS

FAVORABLE PROSPECTS FOR NEW UNITED PARTY DISCERNED

Grand Turk TURKS & CAICOS NEWS in English 18 Apr 85 p 4

[Oliver Mills column "Through the Mill"]

[Text]

INTERESTING events have been taking place in the Turks and Caicos Islands of late, particularly on the political scene, but one of the most important of these has been the announcement of the formation of a new political organisation — the Turks and Caicos United Party.

The formation of the TCUP comes at a time in our political life when the ruling Progressive National Party has elected a new leader, and it is becoming increasingly apparent that the opposition People's Democratic Movement is not functioning as the kind of political machine it should be.

Furthermore, there appears to be a growing feeling in some circles that neither of the existing parties has been able to bring a reasonable measure of economic progress to the Islands, to the benefit of the majority of our people. In addition, certain business sectors of the economy would like to see more business and commercial activity, as well as expansion in construction, tourism, and in the hotel industry.

The feeling has come about, therefore, that only a new political party could bring about the kind and quality of change necessary for us in the short run to catch up with sister colonies such as the Cayman Islands, the British Virgin Islands and Bermuda, and in the long run to surpass them in economic development and reach the development levels of such countries as Hong Kong, South Korea and Singapore.

The TCUP, I think, has several things in its favour which could give it wide public support, and possibly cause it to win the next general election, or any by-election that occurs in the near future.

One of the things the new TCUP has going for it is that many of its would-be candidates are professional and business people, who in many instances are university graduates and have lived in other countries where the practice of politics is at a more advanced level than it is here. Also, political debate among the population of those countries is more informed, so

that these potential TCUP candidates would start out with the advantage of university training, which is not so frequent in the other parties, and having had more political exposure would be able to see politics from a comparative perspective, instead of a narrow provincial viewpoint.

With this exposure and training, persons from the TCUP would always know exactly what they are about, and cannot be easily fooled or sidetracked where negotiations are concerned, since they are well acquainted in terms of the numbers of qualified persons in its ranks, as well as the wide range of skills these persons possess.

The second advantage the new party has is that of freshness. Most of its would-be candidates are new and fresh on the political scene, and have not been influenced by the politics of the post-1976 period. The TCUP can therefore boast of presenting a clean slate of candidates to the electorate, and has the opportunity to bring a breath of fresh air to the political scene in the Islands.

The advent of the TCUP opens a new political debate in the Turks and Caicos, in that new issues can be raised and a new agenda presented to the people for their consideration. The new party also provides the opportunity of participation for those persons who are disenchanted with the political arrangement we have had, or those who have never been turned on, or attracted to the existing political organisations. It therefore provides a stage for those who have been left out of the political process to express their views about what is needed to get the system going again.

There are several issues on our political agenda that the TCUP will have to deal with. At the local level, these include development and its even spread throughout the Islands, foreign investment, the formulation of a new and more effective educational policy, school expansion and the training of more local personnel to replace expatriates in our school system, the development of proper infrastructure, training of the public service to cope with the demands of development, a national health policy, and a revision of our laws to suit modern conditions.

Other areas are a beautification programme and the development of a national culture. On the international scene, it must seek to portray an image of integrity and decency, skill in negotiations and diplomacy, establish better and closer relations with the United States, Canada, and Britain, as well as certain Caribbean territories. All this, would give the new TCUP credibility and trust and ensure that we would be looked upon as serious people who mean business.

The big question is the reaction of the existing political organisations to the establishment of the TCUP. Where the opposition PDM is concerned, efforts could be made towards reorganising the party and including more qualified persons into its ranks. The PDM could also become more vocal in its attack on the PNP, and could find itself in many cases opposing both the ruling party, and the TCUP.

This means that the PDM has to be very careful that it does not waste its energies by dealing with too many issues at the same time, and put itself into the position of having to fight two political organisations on its own.

It is clear that the emerg-

ence of the TCUP presents a very grave political threat to the future existence of the PDM, and poses an important challenge to the PNP. One of the strategies the new party could use is to ignore the PDM and concentrate its guns on the PNP. It appears that it has already begun to do this.

The ruling PNP could react in a number of ways to this new political force. It could stress its record in office, and indicate that it is itself a new political organisation since its election of a new leader and the appointment of two new ministers. It could also argue that it is embarking on new politics for the people.

The TCUP could counter by noting that all that exists is a change of faces in the same organisation, and all that could be expected is more of the same. The PNP will need all the intellectual ammunition it can muster to deal with attacks from the TCUP, and it will be interesting to see which party emerges triumphant in 1988 — or before.

What is happening in our politics is something unique and interesting, and gives an idea of what to look forward to in the future.

TURKS AND CAICOS

EDITORIAL DISCUSSES DRUG TRADE, APPEALS FOR U.S. AID

Grand Turk TURKS & CAICOS NEWS in English 25 Apr 85 p 4

[Editorial]

[Text]

**THE ARRESTS** of former Chief Minister Norman Saunders and two other Ministers in Miami is old story now, and people in the Islands are beginning to recover from the shocking news of that shameful event nearly two months ago. As lawyers for the trio prepare their defence for the case which may begin some time next month, Islanders have already prepared themselves for a long wait before anyone knows what will be the outcome.

Whatever happens, the damage to the reputation of the men and country has already been done, and the Islands are beginning to feel the economic effect of this sudden adverse publicity. Grand Turk is like a graveyard; and South Caicos, we understand, is even worse. The only island where something seems to be happening is Providenciales, where the Club Med Resort Village which opened last December is bringing in three to four hundred visitors a week. Construction on Provo at the moment is down, but everyone there is optimistic that a Sheraton Hotel will soon start building and a Hyatt may not be too far behind.

Elsewhere in the Turks and Caicos business is either slow or has come to a complete standstill. It is reasoned that since the drug trade in the Islands has been drastically cut the economy is sinking to its natural level . . . the level of poverty. This must be a problem for the new Chief Minister. The challenge for his administration in the coming months will no doubt be to restore the earning power of those who have benefitted from the passage of drugs through the Islands. And everyone has benefitted one way or another . . . even the government.

It remains to be seen what emergency measures will be taken to revive our stifled economy. Every decent person hoped for the removal of the drug trade in our Islands. But we were also hoping that

the construction, tourism and financial industries would by now be developed to the point where an alternative could be offered to those engaged in the devilish activity of the drugs trade. If the few directly involved in the trade sported an excessive lifestyle, there were countless others on the fringe who literally subsisted on the crumbs that fell from the drug dealer's table. It is these we worry about. What will they do to survive?

It is easy to condemn the way one makes a living when our needs are being met in ways that are regarded by society as legitimate. But whenever a man's means of making a living is stopped he must be given an opportunity to earn a living otherwise. It is important at this stage that Britain and the United States realise their special responsibility to these Islands.

We are not looking to be rewarded because we are co-operating with the DEA in helping to stamp out drug trafficking through our Islands. It is our responsibility to humanity to help eradicate this pernicious trade. But humanity also has a responsibility to us. We are a poor country, with few resources. Britain has been doing its best to help us get on our feet, but what will the U.S. do?

We hear of millions of dollars in aid to Central America. Grenada is developing rapidly because of the millions of U.S. dollars being poured there to give democracy a second chance. Apart from a \$100million agreement to keep three bases open in the Bahamas, the U.S. has worked out an agricultural co-operation agreement with the Bahamas, which is now growing, with the aid of modern technology, citrus and vegetables for export to U.S. markets.

What does it take for a poor country like ours to get some help from America? We know that because we are a British colony we cannot accept direct aid from the Americans, but there are areas in which the U.S. can help. One area is to help us find some use for two abandoned military bases on Grand Turk. Another area could be to help us construct the much-needed spine link road, uniting the Caicos islands into a solid land mass, thereby reducing the cost of government services to those islands. Perhaps someone in Washington, after reading this, might realise that we are small and poor but we, too, have aspirations. And while they are passing out the bucks, we would like some of them to stop here.

TURKS AND CAICOS

BRIEFS

**PDM POLICIES**--A Progressive Democratic Movement government would pull the country out of the hole it's in by getting people back to work, Lewis Astwood, the elected member for South Backsalina, Grand Turk, told a street meeting last week. Mr Astwood and party leader Clement Howell both called on the government to resign on the ground of corruption. Mr Astwood said the PDM would encourage small industries to use the abandoned North and South bases. He claimed the party had connections with the United States, Hong Kong and Japan for television parts and fans to be shipped to the Islands to be assembled at the bases. [Text] [Grand Turk TURKS & CAICOS NEWS in English 25 Apr 85 p 1]

**NEW CHIEF SECRETARY**--The Foreign and Commonwealth Office in London has appointed an old Turks and Caicos "hand" as the new Chief Secretary of the Islands, to succeed Edward Brooks who left last week. He is Ronald Pincott who was here just two months ago to carry out the annual budgetary review. Mr Pincott, who will arrive on May 12, has been making regular visits to the Turks and Caicos Islands for the past nine years. He was closely associated with the negotiations leading to the opening of Club Med on Providenciales and represented the British Government at the opening of the international airport on that island last March. A career officer in the former British colonial service, he had retired from the Diplomatic Service but was acting as a financial adviser on the dependent territories for the Foreign and Commonwealth Office before his appointment here. [Text] [Grand Turk TURKS & CAICOS NEWS in English 2 May 85 p 1]

**UK AID FOR POLICE**--Bridgetown, Thursday (CANA)--Britain said today it was providing \$84,000 (U.S.) in communications and power generation equipment to the police force in the Turks and Caicos Islands. A British High Commission statement here said communications have always been a problem for the police, covering a population of 8,000 in six inhabited islands, only three of which have telephone exchanges. Adequate communications are important not only for routine police work, but also in coordinating emergency services, the High Commission said. [Text] [Port-of-Spain EXPRESS in English 31 May 85 p 63]

CSO: 3298/751

URUGUAY

## POLL SHOWS STRONG SUPPORT FOR LABOR POSITIONS

Montevideo BUSQUEDA in Spanish 9 May 85 p 4

[Text] A recent opinion poll, conducted several weeks ago in Montevideo by the Equipos Consultores Asociados firm, reveals that major portions of the population generally support the main actions, proposals and positions taken by the leaders of the Inter-Union Workers' Plenum-National Convention of Workers (PIT-CNT).

Most of those interviewed stated that the unions operate democratically (42 percent), that the work stoppages in late February and early March were justified (63 percent), and that the regulation of union activities should be left up to the organizations themselves (39 percent).

A majority also felt that work stoppages have an impact on the stability of the democratic government (19 percent said "a lot," 33 percent "some").

The survey took place during the first 2 weeks of the democratic government. Those who conducted the study told BUSQUEDA it is unlikely that the major trends in public opinion have changed much in the intervening 8 weeks, since any changes in opinion are slow to come about.

Equipos Consultores Asociados was very successful in its pre-election surveys last year. Director Cesar Aguiar predicted, based on the results of the polls conducted in the preceding months and a profile study of the "undecided," that the Colorado Party would resoundingly defeat the Broad Front in Montevideo, and that both would be far ahead of the National Party in the country's capital.

### Strikes: Do They Destabilize?

The pollsters asked the following question: "Recently there have been several labor conflicts that resulted in stoppages and strikes. . . Regardless of whether they are justified, do you think they have an impact on the stability of the democratic government?"

The answers were as follows:



Yes, a lot .....	19%
Yes, some .....	33%
No, not at all .....	36%
Don't know, no response .....	12%

Breaking down the responses according to profession or occupation, it can be seen that housewives and retired people (23 percent) and blue-collar workers (21 percent) are most likely (more than 1/5) to believe that the conflicts have "a lot" of impact. However, an absolute majority of 4 out of the 6 occupational groups (unemployed, 79 percent; management and technician, 68 percent; blue-collar workers, 52 percent; students, 50 percent) feel that they have "no impact at all." The groups in which a majority believe that they do have "a lot" or "some" impact are housewives and retired people (63 percent) and white-collar workers (51 percent).

#### Unions: Are They Democratic?

Another question asked by the pollsters was this: "At present union officials and politicians are discussing the functioning of the unions. Do you think the unions operate democratically, or not?"

All or nearly all do .....	42%
Some do .....	20%
Very few or none do .....	20%
Don't know, no response .....	18%

The group that regards the unions as the least democratic is that of housewives and retired people, followed by white-collar workers. The majority of the most unionized occupational group (blue-collar workers) regards them as democratic (52 percent). This is not the group with the highest opinion of union democracy, however; the unemployed, students, and management and technicians, in that order, see the unions as more democratic.

#### Union Regulation

The next question was: "Do you think Parliament should regulate the activities of unions, or that this matter is strictly up to the unions?" These were the responses, according to political persuasions:

	Colorado Party	National Party	Broad Front	All Respondents
Should legislate	24%	15%	8%	17%
Can legislate, but would be better to let the unions govern themselves	31%	30%	11%	23%
Should be up to the unions	22%	32%	71%	39%
Don't know, no response	23%	23%	10%	21%

As can be seen, the differences, though predictable, are very marked. The proportion of Colorado Party respondents who feel Parliament should legislate this matter is triple that of the Broad Frontists who feel the same way. Conversely, the number of Broad Frontists who believe this matter is the business of the unions is more than triple that of the Colorados who share that opinion. The National Party members are in between, close to the figures for all respondents as a whole.

#### Recent Conflicts

"Recently there have been several union conflicts that resulted in stoppages and strikes. What is your opinion? Are these stoppages and strikes justified?" These were the responses, according to political persuasion:

	Colorado Party	National Party	Broad Front	All Respondents
All or nearly all	45%	58%	86%	63%
Some yes, others no	32%	24%	7%	22%
Very few or none	13%	8%	3%	7%
Don't know, no response	10%	10%	4%	8%

8926

CS0: 3348/730

URUGUAY

BLANCO MEMBERSHIP URGED TO JOIN LABOR MOVEMENT

Montevideo BUSQUEDA in Spanish 9 May 85 p 16

[Text] While various leaders of the National Party (Blanco Party) are opposed to government regulation of unions and claim that the unions should draw up their own rules of operation, sources in that organization say that party activists are being encouraged "to understand the need and obligation they have to participate in the unions."

"We want Nationalists to join the unions to reinforce their structure," stated one spokesman.

Union Regulation

Efforts to restrict union activities through regulations will not be supported by the National Party, Mario Cecilio told BUSQUEDA. Cecilio is a member of the party's board of directors and serves as its secretary of social affairs.

Cecilio stated that the statements made by the party's political leaders "have been clear," to the effect that the international pacts our country has signed under the auspices of the International Labor Organization (ILO) provide a regulatory framework that "is precise enough to allow for the development of union activity."

"To try to implement union regulation now would completely destroy the atmosphere of conciliation the government has mentioned so often," stated Cecilio.

Meanwhile, another Blanco Party source interviewed by this newspaper indicated that his party feels that each union should determine its own operation and the regulations that will govern it.

He also noted that legislation cannot restrict union operations, and explained that if any regulation is passed, "it had better be designed to protect the workers' rights."

Blanco Activists Should Participate in Unions

National Party board member Mario Cecilio explained to BUSQUEDA that the party "wants Nationalists to understand the need and obligation that all workers have to participate actively in their unions."

He added that party policy is to support existing organizations, and that so far a satisfactory solution has been found.

Cecilio went on to say that the National Party activists who participate in the unions "are not there in a spirit of confrontation or defense of party ideology," but rather for the purpose of increasing people's awareness of what union work means.

"The National Party wants its people to contribute to the reinforcement of the entire social and union structure. Many National Party members are participating in the unions, both publicly and privately," concluded Cecilio.

Along the same lines, the leader of the Nationalist majority, Wilson Ferreira, stated a few days ago that the party leadership has repeatedly advised members to participate in labor organizations. "We believe this is one way to reaffirm the renascent democracy," he said.

He added that the Civic Union and the Colorado Party have also urged their members to participate in the unions.

"I think that the community as a whole recognizes the need for workers in all unions and trade associations to become active," he pointed out.

Ferreira concluded by noting that in the celebration of International Workers Day on 1 May an excessive number of party banners were observed, "which I don't think is a good way to respect the workers' movement. This is something we all need to overcome, in an effort to avoid the politicization of the labor unions and to turn them into effective tools for defending the interests of their members."

8926  
CSO: 3348/730

URUGUAY

BLANCO LEADERS AT VARIANCE ON MARXIST STAND

Montevideo BUSQUEDA in Spanish 9 May 85 p 6

[Text] A controversy concerning the use of Marxist elements of analysis by members of the National Party has developed in recent days in the ranks of the Blanco group between leaders of the Nationalist and Herrerist Union (UNH) and the Nationalist Popular Faction (CPN).

The subject came to the fore when the prosecretary general of the CPN, Carlos Pita, told BUSQUEDA that "there are ideological concepts which contain Marxist elements of analysis, without a doubt, within the National Party, and not within the CPN alone."

Pita said on this occasion that "Marx not only went beyond what a political party concept is," but "made contributions in interpretation and critical analysis which have been adopted by all the current political doctrines."

This Nationalist deputy added that "within this context, there are in the National Party and within the CPN political militants who see Marx as someone who has made very important contributions to the understanding of historical phenomena and social and economic phenomena in the life of man."

On 3 May, Pita went deeper into this subject in an article supplied to the weekly JAQUE, in which he stated that "this type of subject is burdened with expectations, prejudices and confusions."

However, he posed the question: "Who will deny that the class struggle exists?" And he warned that, concerning it, "we may differ as to how important and decisive it is in the historic process."

"The Marxists, for example, regard the class struggle as the motive force of history, but all the others accept it as a factor in their analysis of the historic process," he wrote.

That weekly reported in the same issue that the statements by Pita in the interview granted to BUSQUEDA gave rise to "profound unease" in some nationalist sectors.

## Raul Ferreira's Opinion

Senator Juan Raul Ferreira, secretary general of the CPN, said in this connection that "if one reads (Pita's statements) and takes a short-sighted view, it can be concluded that Pita said that there is room within the National Party for communist positions, and this is not the case."

Ferreira said that "what Pita says is something which no modern party can ignore, and which even Pope Paul VI, whom no one could brand a communist, has maintained. 'In all parties there is room for instances of Marxist analysis'."

The Blanco legislator was asked as to whether he personally uses Marxist elements of analysis in his political work, to which he answered "obviously, yes," and he went on to say that "this is done in some party leadership documents and it is also done, sometimes unwittingly, by many Colorado legislators."

### "A Legitimate Concern"

On Saturday, 4 May, the Nationalist and Herrerist Union, headed by Senator Dardo Ortiz, issued a lengthy statement at the conclusion of a congress, in which it expressed its "legitimate concern" about "the eruption of channels within the party ranks for those who are navigating, and are making a show of doing so, toward Marxist horizons."

At the conclusion of a congress attended by some 200 delegates from the capital and the interior, the UNH said that in convoking it, it expressed the belief that "it was necessary to reaffirm the ideals, principles and attitudes within the National Party which have characterized it in the eyes of the public for many years."

The statement stressed "the usual pigeonholing seeking to enclose the thinking of a party of such masses as ours within the framework of one designation," and it denounced "the right wing, left wing, liberal, conservative, progressive, radical, etc., etc. labels which have proliferated so greatly in recent times."

These "labels," the congress declared, "are intended to make the handy substitution of a standardizing tag for the diverse range of shadings, trends and orientations which, although they point in various directions, like the branches of a tree, come together as a whole in the common trunk of history, traditions and action which nurtures them all."

In the view of the UNH, "the eruption of channels within the party ranks for those who are navigating, and are making a show of doing so, toward Marxist horizons" constitutes a cause of legitimate concern for many Nationalists, and the electoral results are not unrelated to this."

"Nothing could be farther from the essence of Nationalist and Herrerist thinking than Marxist dogmatism. Nothing could be more opposite to the action of the party than convergence with Marxism," the statement emphasized.



The document also stressed that "both in the realm of pure thought and in the field of world reality, Marxism and its corollaries have led to the era, philosophy and practice the outcome of which is disastrous for mankind."

In conclusion, the statement said that "the old ideas, the old conduct and the old glory...as compared to the abundant personal and conceptual mediocrity today lead us to feel a greater commitment to a tradition which enlightens and ennobles us."

#### Interview Clear Enough

On Monday, 6 May, Pita was again asked by BUSQUEDA about the controversy, and the Blanco deputy urged all those interested to reread the interview granted to this weekly periodical.

"On this subject, I believe it would be very fruitful for those who see my answers in the interview in question as polemic and controversial to reread the pertinent paragraph, because I believe it is sufficiently clear, and this is a subject I regard as closed," he said.

5157

CSO: 3348/731

URUGUAY

## IDI FACTIONS DISAGREE OVER FUTURE POLITICAL STRUCTURE

Montevideo BUSQUEDA in Spanish 9 May 85 p 12

[Text] The Congress of the Independent Democratic Left (IDI) will go into session again on Saturday at the South America Palace, renewing a debate which will be crucial to the future of this movement which is aligned with the Broad Front.

Leaders of the IDI told BUSQUEDA that the differences as to the future structure and profile of this movement continued this week, and they do not exclude the possibility that the definitions adopted by the congress may give rise to the alienation of some of the sectors which make it up.

The congress was inaugurated on 19 April, and after 3 days of discussion, it decided to declare a recess during which the various groups in the IDI would seek agreement leading them to a new political organization.

The Groups for Unified Action (GAU) proposed the dissolution in the next 6 months of the groups making up the IDI, for the purpose of reuniting all of them in a single movement. This proposal, which won the support of the Base Nuclei and the Federation of University Independents, was not accepted by the People's Victory Party, which maintained that the political discussions had not reached a level which would make a decision of this sort viable.

After many hours of discussion, Helios Sarthou and trade union leader Victor Semproni set forth the general lines of an alternative proposal, involving the definition of a single political orientation for the IDI, which would be maintained until a new congress was held in October. Meanwhile, during this intermediary period, the various sectors would avoid making public statements or appearances on an individual basis.

In the past 3 weeks, intensive negotiations have been pursued both in Montevideo and in the interior, but as of yesterday, Wednesday, positions remained the same.

Sources in the GAU said that this sector had reduced the period of transition toward the new IDI structure to 4 months, but they commented that this transition must necessarily lead to a unified movement.

Our informants said that if this plan does not win support, the GAU will certainly withdraw from the IDI.

"The positions are too far apart, and it is very likely that whichever prevails, a merger in a unified movement would not be easy," these sources said. They explained that if a speedy decision is not reached, "there will be a risk of radicalization and the loss of months in the discussion of theoretical problems, without dealing with the real subjects which concern the country."

However, two groups, Pregon (Proclamation) and Popular Union, seemed to have adopted a waiting stance concerning the resolutions of the congress, in which they refused to participate because they disagree with the way in which it was organized.

Nelson Lorenzo, an IDI deputy and Popular Union leader, said that both that sector and Pregon, headed by former senator Alba Roballo, are unwilling to agree to the loss of their own individuality by the groups making up the IDI.

5157

CSO: 3348/731

URUGUAY

# ADVANCED DEMOCRACY INDEPENDENTS FORM NEW FACTION

Montevideo BUSQUEDA in Spanish 9 May 85 p 12

[Text] Senator Jose G. Araujo has announced the formation of the Broad Front Unity Movement (CUF), which will make a formal effort to rally the independents who gave their support to the Advanced Democracy group in the last elections.

Araujo told BUSQUEDA that the CUF will replace the Advanced Democracy Independents Group, a sector organized just prior to the elections to represent the views of those who could not identify with the other movements which sponsored that group--the Broad Front Popular Movement, the Communist Party, the Leftist Liberty Front (FIDEL) and Labor and Culture.

"With the approach of the elections, we saw that we needed to shape a group of independents, because we knew that there were many determined to support Advanced Democracy, but to some extent doubts remained, because we did not give this group an organic form," Araujo said. He added that these independents felt special identification with the "Unity and Broad Front line" developed by CX 30 "La Radio" during the military regime.

The formal launching of the CUF will take place on Sunday, 19 May, with a program broadcast by that station, during which Araujo will set forth the reasons for the affiliation with Advanced Democracy, as well as the future actions the movement will carry out within the Broad Front.

Araujo said that the CUF will undertake a prompt campaign to recruit and organize militants and to prepare for its first national encounter, to be held next month at the Gaston Guelfi Palace. At that meeting, officers will be elected, followed by the drafting of the political line.

Araujo said that the CUF will remain within the Advanced Democracy group, and will include the full unification of the movements currently aligned with the Broad Front as one of its goals.

5157  
CSO: 3348/731

URUGUAY

PDC LEADER ON MLN-DECLARED ENDORSEMENT FOR BROAD FRONT

Montevideo BUSQUEDA in Spanish 9 May 85 p 12

[Interview with Christian Democratic Party leader Carlos Baraibar; date and place not given]

[Text] Christian Democratic Party [PDC] leader Carlos Baraibar has said that the statement made by leaders of the National Liberation Movement-Tupamaros Faction (MLN) leaders to the effect that that organization is a co-founder of the Broad Front "is not consistent with the reality."

Baraibar, the political secretary of the National Board of the PDC, cited documents from an earlier era in which the Tupamaros viewed the Broad Front as an alternative means to their armed struggle, and he said that the support they gave the coalition was "unilateral."

"The support of the MLN was unsolicited and without a doubt it contributed no more members or support than the Front itself could rally," he added.

In statements made to BUSQUEDA, Baraibar expressed his views about the reorganization of the Broad Front, and he said that a "political agreement" among all of the sectors should be reached with a view to a new internal balance of forces, rather than taking into account only the electoral weight of each group.

[Question] As the leader of a party which sponsored the organization of the Broad Front, what is your view of the statement made by MLN leaders to the effect that they were cofounders of the Front?

[Answer] This is not consistent with the reality. It seems to place excessive emphasis on the role played by some of the statements made public by the MLN when the Broad Front was founded.

The MLN was not a cofounder of the Front, because our strategy did not coincide with that of this organization.

The political strategy which emphasized a military focus was that of the National Liberation Front. In its Document No 5, the MLN says that this Front "is the first response of the MLN to the question (of) how to win over the

great masses." They said that this Front would be "the guideline and the nucleus of our political strategy in the short and medium time range." This Front was in addition set forth as a supplement to its strategy of direct action. "It is a question of creating the social force of the revolution parallel to the process of revolutionary violence, reconciling both things." This then shows the clear difference from the strategic plan of the Broad Front, which from the beginning has indicated its support of action within legality and democracy and by peaceful means.

In our view, the path proposed by the Broad Front was an alternative for the MLN. From the documents from that time it can clearly be seen that the MLN developed a thesis different from that of our Front, but also they said they were prepared to support undertakings which would be proposed in the course of political life.

#### Coalition Made No Commitment

[Question] Is this attitude on the part of the MLN, which some regard as ambiguous, the explanation for the fact that the Broad Front has not announced any position of categorical rejection of the organization?

[Answer] The Broad Front has never condemned the MLN in what might be seen as excessive action, with regard to the differences between us and that movement. The Front does indeed disagree with the MLN.

"The support of the MLN was unsolicited and without a doubt it contributed no more members or support than the Front itself could rally. However, during the 1971 campaign, this support was a constant factor in conflict and confusion, because it required profound internal political discussion about the correctness of our reliance on the electoral path in order to launch a period of redemocratization following the Pacheco era.

The leaders of the Broad Front said at that time that the support of the MLN was unilateral and did not involve any commitment at all on the part of the coalition.

[Question] Would you support the membership of the MLN in the Front now, following the completion of the stage of analysis and reorganization through which it says it is passing?

[Answer] This stage should be for the MLN one of reformulation of its purposes, and when these are determined we will analyze them and give our opinion.

With regard to its links with the Front, again we are waiting for the MLN to define itself, and if it does so, some kind of organic link will be considered.

[Question] Does this waiting posture reflect a decision by the Front not to allow members of the MLN to speak in the committees?



[Answer] This is a subject being considered by the plenary session, and an opinion will certainly be voiced this week. For this reason, I can only give a personal position now on this matter. We do not believe it reasonable or suitable for the FLN or other political organizations outside the Front to attend committee meetings to set forth their points of view.

The MLN is a legal organization, and as such it has a right to set forth its positions, and it is legitimate and reasonable for sympathizers with the Broad Front to have an interest in knowing its plans. The logical thing is for the MLN to have its own forums open to the general public. However, the Front organization and its committees should be a forum open only to the members of the Front itself and the organizations which make it up.

[Question] Will the issue of reincorporating the 26 March group be settled once the MLN has announced its new plan of political action?

[Answer] I agree totally with the statements on this matter made by General Seregni. It is wise to wait until the political definitions of the MLN are clarified. Without meaning that this will occur, we believe that because of the fact that the leaders of 26 March have recognized the authority of the leaders of the Tupamaros, its reincorporation in the Front must have to do with the final position adopted by the MLN with regard to the coalition, and that of the coalition toward the MLN.

#### Reorganization

[Question] How does the PDC regard the subject of reorganization of the Front? Yamandu Fau said that the decision to grant authority to the bodies was approved, but groups totaling 62 percent of the electoral force were against it. What have you to say about this?

[Answer] Unfortunately I disagree with Comrade Fau, because to analyze votes in the plenary session as a function of electoral strength is to oversimplify. Electoral strength must be taken into account, but to link it exclusively with the weight in the plenary session is a mistake. For example, what would the support of General Seregni or of Arana, Crottogini and Villar be? They lack political organization, but no one is unaware of the political support they have.

[Question] How would you assess one political force as compared with another?

[Answer] The only path is that of reaching political agreement. This is what we did in 1971 and we created the current organizational form. I remember that in April of last year, when the Broad Front held a conclave, the subject of relative weight was brought up. There three criteria were considered: electoral weight, the fact of being a founder of the coalition or not, and the character of the Front itself, which "beyond the numerical importance and the weight of each member, makes it necessary to recognize the active participation of all sectors."

In other words, the new form of assessing relative weight will emerge from the confluence of these three factors and of any other which may emerge. But I

think that this matter will not be resolved through the electoral channel, but through political agreement.

The subject of participation by the base committees cannot be avoided either, and we want this to occur through levels and procedures which will generate a strong consensus so that the reorganization will serve to consolidate the organization of the Front for a long time.

When a new formulation is approved, we want a strong consensus to be achieved such as a guarantee that the subject will not come up again for a long time.

5157

CSO: 3348/731

8 July 1985

## URUGUAY

## UNIVERSITY POLITICAL GROUPS PREPARE FOR AUGUST ELECTIONS

Montevideo BUSQUEDA in Spanish 9 May 85 p 32

[Article by Claudio Romanoff]

[Excerpts] The four major political forces made up of university students are now drawing up proposals to present at the coming convention of the ASCEEP-FEUU [Students Social and Cultural Association-Federation of Uruguayan University Students]. They are also forming alliances for the purpose of the elections to be held in August.

June will mark the second convention of the university student union at which the nine members of the Executive Secretariat will be elected. In August, elections will be held to designate the final authorities of university government.

## Four Forces

The forces constantly vying to gain ever greater political influence in the ASCEEP-FEUU are: the University Independents Front-Independent Democratic Left (FIU-IDI); the Union of Young Communists (UJC); an alliance made up of young people from the Socialist Party (JSU), the Christian Democratic Party (JDC) and the List 99 (J99); and conservatives from the Por la Patria sector.

The ASCEEP-FEUU also has members from the Batllismo United sector (lists 15 and 85), the Independent Batllista Faction (CBI) and the Nationalist People's Faction (CPN or COPONA). It should be emphasized that these sectors have less relative weight than the first ones mentioned. Despite this fact, Batllismo United is the force with the greatest representation in the current university co-government.

Some 300 professionals, teachers and students from the Colorado Party resolved last month to form the University Batllista Movement (MBU) for the purpose of participating in university elections. The party convention 2 weeks ago gave the movement its political backing, while the National Executive Committee proposed to name a commission of five members made up of legislators from lists 15, 85, 89, 115 and the Colorado and Batllista Union which, along with six members of the MBU, will define the line to be followed on university questions.

One of the many peculiarities of the Uruguayan student movement consists of the fact that despite the great political battles waged in the union and the interminable debate on ideological and programmatic questions, all sectors recognize and defend the ASCEEP-FEUU as the only trade union structure representing the students.

Likewise, university students who belong to the organization and who in the years previous to the coup d'etat of 27 June 1973 made up the fundamental force in the confrontation between higher education and the state, later experiencing opposition to the intervention dictated by the military regime, is now taking a self-critical view of the past.

There is now a consensus among university students that they should not unnecessarily bring about a divorce between the national government and the university, but there is also unanimity on the fact that students must be "an active factor in changing society."

In order to present a picture of the correlation of forces inside the student movement, BUSQUEDA consulted leaders of the main political forces in the university sphere and looked at materials put together by the FEUU documenting the positions taken by the union in the face of the different national political situations.

In order to understand the circumstances, especially when one is not in the university, it is necessary to make it clear that the power balance is not always made up of the same variables. Rather, by virtue of the vigor generated by the constant discussion, the different forces are constantly changing in quality and quantity.

The FEUU was founded on 26 April 1929 and since that time, has rallied university students.

Starting with the government of Jorge Pacheco Areco (1968), the Uruguayan left has constantly denounced violations of constitutional standards and the picture observed in the country, sharpened by the presence of the Gupamaro guerrillas, was one of open confrontation between the different political and social sectors.

This situation naturally affects the university, which is governed by the left. University students, following the motto of "resisting authoritarianism," have even participated in violent actions and taken an aggressive attitude toward the government of Pacheco and that of Bordaberry.

The current rector of the university, Samuel Lichtenzstejn, said in an article recently published by the Latin American Human Economics Center (CLAEH), that the university at that time was isolated from the national context and analyzed as one of the causes the lack of internal and external means of communication of higher education. This is how he explains the characteristics of university propaganda, along with other causes.

Following the 1973 coup d'etat, university elections were held in September and the leftist forces received broad backing to continue governing the university.

### Internal Struggle

The most powerful sector of university government is the FIU, the University Front, made up of members of the IDI, founded at the end of 1983 based on a group of independents who coordinated their activities. When the IDI emerged, the FIU manifested its support. However, not all the members of the IDI are FIU members. Of the 30 members of the councils of the ten colleges, the FIU and the IDI have 7. On the Central Board of Directors of the university, they have 1 out of the 3 student representatives.

On the Executive Secretariat of the ASCEEP-FEUU, they have 3 representatives and on the Federal Council, the highest decision-making body, they have 20 members out of a total of some 70. Participating in the Federal Council are union delegates elected by each college of the university, plus the members of the Executive Secretariat.

Although on the level of university government the UJC's representation would make it the third-ranking force (four council members and one on the Central Board of Directors), it has two representatives in the Executive Secretariat and 20 on the Federal Council. It is considered as the most organized political force and the one with the "largest militant structure." Along with the FIU, they are the forces considered to be the most powerful.

The members of Por la Patria and the Rocha Movement of the National Party make up the University Union Faction. They have one representative on the Executive Secretariat, one on the Central Board of Directors, 12 on the Federal Council and six on the school councils.

Conservative leaders told BUSQUEDA that the union positions are not dictated by the National Party and they expressed their aspiration to "get the parties out of the university."

Students belonging to the JSU, the JDC and the J99 have recently formed a programmatic alliance following the slogan of "a new university for new times." They are labeled by their detractors as the "triple alliance."

Socialists and Christian Democrats in the Executive Secretariat have three representatives, 16 on the Federal Council, six on the school councils, but none on the Central Board of Directors. The J99 has representatives on the Federal Council (two) and on the board of the School of Library Science.

Members of the CPN, who do not work with other nationalist sectors, have a representative on the council of the School of Engineering and the influence they have on the Federal Council is not significant.

Liberal students have seven representatives on the school councils, most belonging to Batllismo United and some to the CBI.



## Alliances

In general, the UJC does not have permanent allies and its activities are aimed at circles considered "friendly" to the PC. The remaining sectors frequently vote together against the communists. Recently, in response to an invitation from the American Embassy to participate in a student congress in the United States, the communists, with the support of CPN followers, fought to turn down the invitation, while the other groups wanted to accept. The first vote by school ended in a tie, but results of the second, which never came about because the invitation was withdrawn, were not shaping up clearly.

The FIU has always found backing from other political forces for its proposals, while the University Union Faction (conservatives) generally coincide with members of the CBI. It should be pointed out that these sectors, despite belonging to the traditional parties, fit into the student movement as if they were other leftist groups, a situation that does not exist with the other liberal groups, considered to be "semi-official" by the rest of the members.

The alliance (JSU, UDC and J99) formally agreed on common action that had been shaping up for years. Of these, the socialists are the ones with the greatest organization in the university, while the Christian Democrats have some strength and basically make proposals, and the J99 has possible election support from Front members who voted for the list in past national elections.

While alliance leaders told BUSQUEDA that they do not propose anything more than a specific policy on the university level, the Marxist sectors: the IDI and the UJC, maintain that the alliance is a precedent for the formation of "a great social democratic faction on the national level," which the alliance denies.

In august, university elections will be held for the posts of co-government, because the term of the current officers expires then.

## Proposals

Although the different groups have not totally defined the points to be discussed at the convention, according to information from consultations by BUSQUEDA, all sectors are concerned about the role to be played by students in national life.

The Marxist sectors say that the student movement should be "committed to a radical transformation of society" and orient their discussions in that direction.

The alliance has not yet defined its proposals, but its leaders have expressed their intention of promoting the reorganization and renewal of the university. They also propose to "discuss the role of students in the democratic process."

The conservative students, especially those belonging to Por la Patria, are concerned about preventing what they call "the restoration of the university." This concept refers, in their interpretation, to the fact that there should be no return to structures or procedures used before the institutional break.



All sectors agree on giving priority to the role of the FEUU in student organization, but they will surely maintain the criterion of coordination with the other branches of education.

Lichtenzstejn

Rector Samuel Lichtenzstejn now has a broad consensus among the students, but while all sectors told BUSQUEDA of their "unlimited support," the communist leaders said that their support was "conditional."

The communists maintain a very firm position about taking their posts away from all those who had occupied offices "of trust" during the intervention and about their opposition to anything traditional. They now maintain positions labeled as "extremist."

This attitude is interpreted by noncommunist sectors as aimed at waging "guerrilla war" on Lichtenzstejn. This interpretation derives from the differences existing between communists and the rector over the continuation in office of accountants from the university's finance department.

Lichtenzstejn maintains that he needs those officials to perform all accounting tasks, while the communists propose to remove them, arguing that they were "officials of confidence of the intervening authorities."

When asked about the matter, UJC leaders told BUSQUEDA that "we communists conditionally support Lichtenzstejn" and also emphasized that "the UJC will promote his candidacy for the rectorship in the coming university elections."

For its part, the FIU believes that it must be careful in handling the removals of those who have occupied posts "of trust" and view Lichtenzstejn "somewhat as our men," in the words of one leader.

11,464  
CSO: 3348/729

END

**END OF**

**FICHE**

**DATE FILMED**

17 July 85